### **DELETIONS**

# **ADDITIONS**

#### CITATION HEADING

CITATION Narrative Text. Citation

# <u>NEW</u> <u>New text, policy, or action.</u>

CITATION Policy Element Abbreviation-Section Number. Policy Number: Policy Name

CITATION Action Element Abbreviation-Section Number. Action Letter: Action Name

# Completed Action Text (at end of action and before citation): **Completed – See Implementation Table.**

500 Overview 500

- The Housing Element of the Comprehensive Plan describes the importance of housing to neighborhood quality in the District of Columbia and the importance of providing housing opportunities for all segments of our population **throughout** the city. 500.1
- The critical housing issues facing the District of Columbia are addressed in this Element. These include:
  - Ensuring housing affordability across all incomes
  - Furthering fair housing opportunities especially in high cost areas
  - Fostering housing production to improve affordability
  - Preserving existing affordable housing
  - Promoting more housing proximate to transit and linking new housing to transit
  - Restoration or demolition of vacant blighted properties
  - Conserving existing housing stock
  - Maintaining healthy homes for residents
  - Promoting home ownership
  - Ending Homelessness
  - Providing housing for residents with special needs integrated with supportive services. 500.2

# NEW In 2006, the Comprehensive Plan identified most of these issues, the District has implemented many actions in response. Some of these include:

- <u>Funding the Housing Production Trust Fund with \$100 million per year</u> for affordable housing;
- Applying Inclusionary Zoning (IZ) requirements to a variety of residential uses including new market rate buildings, rowhouse conversions, penthouse habitable space, and the prioritizing proffers of additional affordable housing through Planned Unit Developments (PUD);
- Requiring District-owned land sold for housing to include 20 to 30 percent of the units as affordable;
- Launching the Housing Preservation Trust Fund and leveraging private sector dollars to preserve expiring affordability;
- Reviewing and comprehensively updating the zoning regulations to encourage Accessory Apartments, reduce parking requirements, and encourage residential development;
- Encouraging the overall production of housing, particularly in Central Washington, that has resulted in twice the annual rate of production as before the Plan was adopted;
- Moving homeless families out of DC General Hospital and into short term family housing units across the city.

However, as the District remains attractive to and retains higher income households, rising demand and competition will put upward pressure on rents and a greater number of lower-income households will experience greater pressure from rising housing costs. Thus, greater public action is needed to fulfill the vision of an inclusive city.

These <u>Housing</u> issues affect every facet of the Comprehensive Plan. They influence land use and density decisions, shape infrastructure and community service needs, determine transportation demand, and even drive employment strategies for District residents. At the most basic level, it is the availability of safe, decent, affordable housing <u>across all neighborhoods</u> that will determine whether the District's vision for an inclusive city will be realized. The type of housing constructed <u>or preserved</u>, and the cost of that housing, and where it is <u>built</u> will influence whether we as a city can attract <u>and retain</u> families with children, maintain neighborhood diversity, and provide economic opportunity for all, 500.3

# NEW Callout Box: What is the Difference Between Housing Affordability and Affordable Housing?

Housing affordability is a broad measure of whether or not housing is affordable to a range of households. Households that pay more than 30 percent of their income on housing are considered to be 'burdened' by housing costs, while those who pay more than 50 percent are 'severely burdened'. Therefore, housing affordability is the extent to which a broad range of households pay less than 30 percent of their income on housing. An important part of affordability are neighborhood assets that help keep transportation costs low such as reducing the need for car ownership and use.

Broad affordability is a function of the overall market supply being able to meet rising demand. New supply can improve affordability by letting new residents move to the city without taking an existing unit, and by allowing existing residents to trade up thereby freeing up an existing unit for someone else to occupy. For instance, 40 percent of new units become occupied by households moving from outside the District, while 51 percent are occupied by households moving from within DC, the remainder are households mixed with both DC and non-DC residents. One of the most common requests made during Comprehensive Plan public meetings was to provide a clear definition of "affordable" housing.

Affordable housing is defined as housing in which occupancy is limited to households meeting special income guidelines. The price of this housing is maintained at a level below what the free market would demand using restrictive deeds, and covenants, and financed by grants, mortgage subsidies, vouchers, or other means tied to public financing or tax credits, or through land use tools. Generally, the The cost of affordable housing is limited to 30% of a the targeted household's income limit (which varies according to the number of people in the household); different affordable housing programs are "benchmarked", or targeted, to specific income groups based on the Median Family Income (MFI) of an area as annually **determined** defined by the US Department of Housing and Urban Development. The benchmarked incomes for the Washington Metropolitan Area in 2005 2017 are shown in the table below. The list includes the major housing assistance programs that serve households in each group. In 2005 2017, the areawide median income (AMI) MFI\* for a family of four was \$89,300 110,300. For the purposes of the Comprehensive Plan, The the terms "extremely low", "very low", "low", and "moderate" income correspond to up to 30%, 50%, 80%, and 120% of that

# the MFI amount, respectively.

Example: If a single mother **of two** earned \$7 <u>14</u> per hour, her annual income would be <u>approximately</u> \$14,560 <u>29,000</u> and fall within the "extremely low income" category. If she spends 30% of her income on housing, she could afford to pay only \$364 <u>728</u> per month on housing. Finding decent housing or any housing at this price range is a challenge in Washington.

NEW Table 5.1 Sample of Housing Programs, 2017 Income Limits and Main Household Targets

	E transit		Mari								1	
Income	Extremely		Very		_			h.				
Definition	Low					Moderate				9		
Household				Per	cent of Media	ın Fa	amily Income					
Size	30%		50%		60%		80%		100%		120%	
1	\$ 23,150	\$	38,600	\$	46,350	\$	61,750	\$	77,200	\$	92,650	
2	\$ 26,450	\$	44,100	\$	52,950	\$	70,600	\$	88,250	\$	105,900	
3	\$ 29,800	\$	49,650	\$	59,550	\$	79,400	\$	99,250	\$	119,100	
4	\$ 33,100	\$	55,150	\$	66,200	\$	88,250	\$	110,300	\$	132,350	
									Historic Hom	e Gr	ant Program	
	Home Purchase Assistance Program											
		НО	ME, CDBG*									
	Housing Production Trust Fund Inclusionary Zoning											
	Low-Income Housing Tax Credits											
	Public Housing											

<sup>\*</sup> HOME and CDBG 80% MFI Income Limits are capped by the Nation's Median Family Income, which currently approximates 65% of the area's MFI.

By contrast, "market rate" housing is defined as housing with rents or sales prices that are allowed to change with market conditions, including increased demand. Some market rate housing may be 'naturally occurring' affordable housing that to moderate and some low income households can afford. However, the supply of 'naturally occurring' affordable units can be unstable due to potential pressure from both sides. Too little demand and decreasing rents are insufficient to cover maintenance and they fall into a state of disrepair and become vacant and blighted. Too much demand and they are rehabbed into higher cost units. Rent-controlled apartments are counted as "market rate" units because there are no occupancy restrictions. The District's rent control law stipulates that rents on market rate apartments built prior to 1975 may rise only as fast as the Consumer Price Index (CPI) for older adults and disabled tenants and the CPI plus two percent for everyone else.

\*\* Regional Areawide Median <u>Family</u> Income (<u>AMIMFI</u>) is used rather than DC's median income because it is the federal government benchmark commonly

used to qualify for funding subsidies.

# End Callout Box

500.4 The city's housing stock is varied in type and size, with recent development since 2006 shifting the make-up of the city's housing. Table 5.42 shows the number of units by type, year built, size, and vacancy rate and how these have changed over 17 years. The table shows that owner/renter rates have fluctuated. In addition, Table 5.2 shows that despite a modest increase in the number of detached/attached single family homes, which represent 75 percent of large units (three or more bedrooms), there has been a consistent shift toward multi-family units. The shift is also visible in Figure 1 New Housing Units Authorized: 2000 – 2017. Washington, DC's housing stock is becoming both older and newer as pre-1939 buildings are being preserved and remodeled to have more units, while post WWII buildings are more often torn down and the sites redeveloped to add new modern apartment buildings. Of the city's 248,000 281,000 occupied housing units in 2000 2017, 41 42 percent were owner-occupied and 59 58 percent were renter-occupied. Forty Thirty-seven percent of the housing units in the city are single-family units and over 35 34 percent of the housing stock was built before 1940. 500.4

NEW Housing Element Table 5.12: District's Housing Stock, 2000, 2010, and 2017 500.5

2000	2010*	2017*	
274,845	296,836	314,843	
248,338	252,388	281,475	
41%	43%	42%	
59%	57%	58%	
10%	15%	11%	
2%	3%	2%	
11%	10%	6%	
2000	2010*	2017*	
13%	12%	13%	
27%	25%	24%	
11%	10%	9%	
49%	52%	54%	
2000	2010*	2017*	
-	-	7%	
-	8%	8%	
3%	3%	3%	
5%	4%	5%	
24%	19%	21%	
34%	31%	23%	
<u>35%</u>	<u>34%</u>	<u>34%</u>	
100%	100%	100%	
	274,845 248,338 41% 59% 10% 2% 11% 2000 13% 27% 11% 49% 2000 3% 5% 24% 34% 35%	274,845       296,836         248,338       252,388         41%       43%         59%       57%         10%       15%         2%       3%         11%       10%         2000       2010*         13%       12%         27%       25%         11%       10%         49%       52%         2000       2010*         -       -         -       8%         3%       3%         5%       4%         24%       19%         34%       31%         35%       34%	

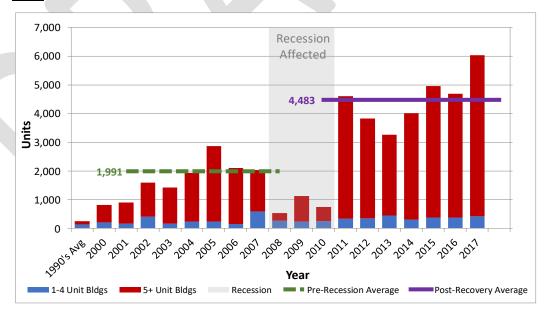
In the eight years since Since the Comprehensive Plan was last amended adopted in 2006, there has been a tremendous an ongoing increase in housing demand and costs, driven by a national recession and recovery, demographic shifts, low interest rates, regional economic growth, falling crime rates, renewed confidence in District government, and improvements in public services. Rising costs have accelerated since the recovery began in 2010, with the median sales price of single-family homes increasing 7.3 percent per year, while condominiums increased 2.8 percent per year<sup>1</sup>, and average rents increased 2.9 percent per year between 2000 and 2017. Part of the increase is attributable to declining interest rates, which between 2000 and 2017, went from eight percent to below four percent. Declining interest rates enabled a 37 percent increase in homebuying purchasing power and contributed to rising prices. The

500.6

increase in demand has propelled a steep upward spiral an increase in housing costs, impacting renters and homeowners alike. With higher prices came greater down payment and mortgage requirements, making it more difficult for renters to transition to homeownership. 500.6

The increase in demand has also resulted in a tremendous significant increase in the production of housing that has only accelerated since the recession ended in 2009. There were more than 2,200 new units permitted in 2005, 75 percent above the 2001-2003 average and more than eight times the average of the 1990s. In late 2005, an astonishing 8,900 housing units were under construction or about to break ground in the city-the biggest building boom in Washington since the early 1960s. Table 5.2 Figure 5.1 shows the recent trends in housing units issued permits permitted. The graph shows that average annual production of housing for the years after the national recession is more than double (4,483 units per year from 2011-2017) than average production in the District prior to the recession (1,991 units per year from 2002-2007). There is evidence that this new production has slowed the rising costs of renting or owning multifamily units. 500.7

<u>NEW</u> Table Figure 5.1 5.2: New Privately Owned Housing Units Authorized: 2000 - 2017 500.8



Source: US Census, DC Office of Planning

Even more dramatic has been the increase in volatility of single-family home housing values. Between 2000 and 2005, the median sales price for a single-

However, prices then dropped 23 percent in just two years between 2007 and 2009 due to the national financial collapse, causing many homeowners to lose equity in their most important investment. Prices since 2010 have started to rise rapidly again at about 7.3 percent per year. Condominiums and cooperatives - once considered "starter" homes for first time buyers - have increased equally, but more modestly as production expanded the competitive supply. Figure 5.2 shows that, from a the median sales price of condominiums rose sharply from \$138,000 in 2000 to \$377,950 in 2005. Condominium prices then stayed mostly flat until 2010 when they started to rise at an average rate of 2.8 percent per year. Rents have also soared, jumping 12 percent between 2003 and 2004 alone.

**NEW** 

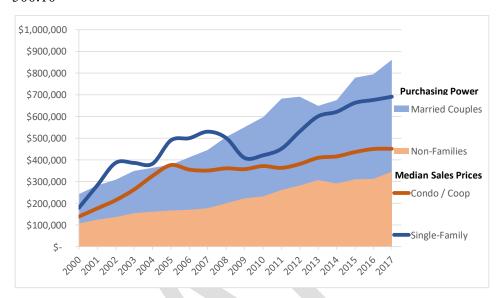
As prices have risen, the percentage of residents able to comfortably afford the median priced home or apartment has dropped. In 2001, 34 percent of the District's for-sale housing would have been affordable to a family supported by a full-time school teacher. By 2004, that figure had dropped to just 16 percent. By 2017, the percent of homes in the District a full-time school teacher could afford had partially recovered to 19 percent. This was due to a variety of factors including higher wages, decreasing interest rates, the drop in values after 2007, and the increasing availability of condominiums that are less expensive than single-family homes. Nevertheless, The the tightening availability of workforce moderately priced housing is hindering the District's ability to retain and attract moderate income households. Figure 5.1 shows housing value change from 1990 to 2005. 500.9

**NEW** 

Figure 5.2 shows change in housing value and purchasing power from 2000 to 2017. The figure illustrates how median sales prices of single-family and Cooperative/Condominium homes have changed in relation to changes in the purchasing power¹ of married-couple families and non-family households. It shows that sales prices of single-family homes, while volatile, have tracked the purchasing power of married-couple families, whose incomes grew 3.9 percent per year since 2006, but whose purchasing power increased 7.0 percent per year as interest rates decreased. Over the same time, married couples in DC grew by over 14,600 new households, or just under half of all new households since 2006.

<sup>&</sup>lt;sup>1</sup> Purchasing power is defined as 25 percent of gross monthly income toward principle and interest on a 30-year mortgage at the average interest rate for that year, plus a 10% down payment.

NEW Figure 5.15.2: Annual Percent Change in DC Housing Values Median Sales
Prices and Purchasing Power by Household Type: 2000 - 2017, 1990-2005
500.10



Source: US Census American Communities Survey (ACS) 2017, GCAAR, FreddieMac, DC Office of Planning

**NEW** 

Rents have also risen, making it more difficult for many to afford living in the District. Between 2006 and 2017 rents in DC rose faster at 3.4 percent per year than the Median Family Income (MFI) of the region, which grew by only 1.8 percent per year. Much of the increase in rents was due to new amenity-rich buildings that attracted higher income households in the District. However, even rents in buildings built prior to 2006 rose at a rate of 2.7 percent per year. As a result, between 2006 and 2017 there were nearly 18,300 fewer units affordable to households earning equal to or less than 60 percent of the MFI (See Table 5.5 Change in Supply of Rental Units by Affordability). There are many reasons in addition to rising rents for the overall reduction in the number of lower cost units including demolition of older buildings and conversion to condominiums.

The rising costs have triggered a crisis of affordability, particularly for the District's lowest income residents. Over 20 percent (56,700) of all households in 2017 were severely burdened by housing costs, and another 16 percent (44,600) of households were burdened. Residents must set aside a growing share of their earnings for housing and utilities, leaving less disposable income for health care, transportation, food, and other basic needs. The greatest share of

burdened and severely burdened households are the 39,500 rental households earning less than 30 percent of the MFI. The market has also become more segmented, with dwindling housing choices for working families and the middle class in general. "Move up" options for lower and middle income households have become limited, and the opportunity for many residents to build individual wealth through home ownership has become more difficult. 500.11

- For existing residents who are already homeowners, the price surge fluctuations represented has been a source of wealth as their homes have appreciated in value, but also a source of risk as some lost significant equity in their family's single largest investment that could help put their kids through college or retire in relative comfort. The nation's financial recovery and the growing strength of the District's housing market has also created opportunities to solve some of the very problems it is creating. The recent boom has raised real estate values, incomes, and sales, generating millions of dollars in new revenues for housing programs through deed and recordation taxes dedicated to the District's Housing Production Trust Fund (HPTF). The pending availability of several large sites for redevelopment creates housing construction opportunities that did not exist five or ten years ago. New inclusionary zoning legislation
- The Inclusionary Zoning program, which requires most new residential buildings of 10 units or more to set aside upwards of 12.5 percent of the project towards affordable units, has now delivered almost 600 affordable units as of Fiscal Year 2017, with another 800 expected over the next several years at pace of close to 200 will soon require affordable units per year to be included in many market rate projects. The program is particularly beneficial for two reasons. First, it retains the affordable units for the life of the project; and second, it produces units in high amenity, high cost neighborhoods where land prices make it very expensive to financially subsidize affordable housing. 500.12
- Housing is a regional market that provides a wide array of choices that vary by location, size, building type and age, accessibility, and others. The housing shortfall difficulty in expanding the supply of moderately priced housing across the region will continue to create a market dynamic where housing costs increase faster than incomes higher income households will drive the cost of housing. Housing costs within the District are among the highest in the region, and reflect the premium placed on being close to the region's core.

  Ensuring that all District residents have the choice to secure housing in their communities is a growing challenge as redevelopment and highly competitive

# offerings are readily available in surrounding jurisdictions.

Moderating the cost of housing and expanding opportunities will require a regional effort. Consistent It will take a sustained multi-jurisdictional efforts coordination and partnerships, such as an analysis of the regional impediments to fair housing, and other approaches are needed to increase the supply of housing to and better meet demand at all incomes. For instance, it will be difficult to improve affordability in the District, even though the pace of Washington, DC's housing production doubled after the recession, when production across the rest of the region is down 38 percent. Intergovernmental agreements and initiatives also will be needed to ensure that all jurisdictions bear their fair share of the region's housing needs and do not leave that responsibility solely to the District of Columbia. 500.13

While housing is a regional market, it is also a very personal choice tied to family, community, and the unique identity shared by residents living in the District of Columbia and the Nation's capital. The fact that many residents place a priority on maintaining their identity as Washingtonians partially explains why 71 percent of the District's residents moving within the region stay within DC. The rate of retention is actually the highest for extremely low-income households with 77 percent staying in DC. This is due in part to Washington DC's investment in public transit and affordable housing keeping housing and transportation costs low relative to the rest of the region. However, the same migration data suggests that lower income households tend to move east of the river. In addition, the District struggles to retain moderate income households earning between 80 and 100 percent of the MFI, with only 60 percent of them choosing to stay in the city. ix

On a neighborhood level, the recent housing boom in housing demand has challenged the District's ability to enable lower income residents stay in their neighborhood and grow a city of inclusive and racially and economically diverse communities. Approximately 60 percent of those moving in east of the river are very low-income households, while only 17 percent of those moving in west of the park are very low-income. The District has been relatively successful in is increasing the rate of developing new, and preserving existing affordable housing, building or rehabilitating 17,700 affordable units in the last six years alone with approximately 1,700 affordable units delivered per year since 2015. However, most While some of this production has occurred is occurring in the very neighborhoods where such housing was is already concentrated, changes in the way investment decisions are being made such as

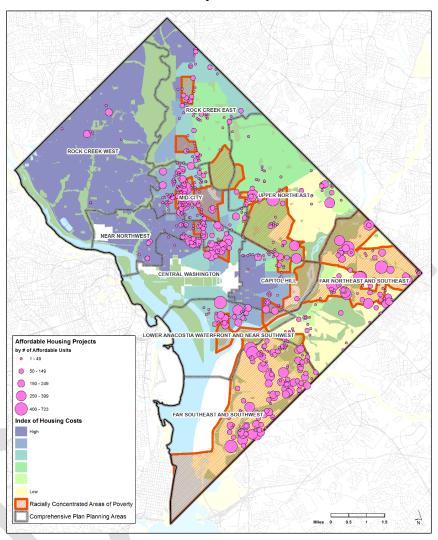
500.14

preferences for projects in high cost areas are shifting production to higher cost neighborhoods where there is less affordable housing. A housing needs assessment conducted by the Urban Institute for the District in 2015 suggests that more affordable housing is needed citywide, especially in high cost areas and for those households earning less than 30 percent of the MFI. 500.14

500.15

Map 5.1 illustrates the location of affordable housing projects developed since 2000 in the District, overlaid on a map that characterizes neighborhoods as "stable", "emerging", "transitioning", or "distressed" based on demographic and market factors by an index of housing costs versus neighborhoods that are Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) as defined by US Department of Housing and Urban Development (HUD). With the exception of a few projects, there has been is very little new affordable housing built in Stable and Transitioning neighborhoods with high housing costs. The map also shows that recent market rate housing has been built almost entirely in Stable and Transitioning neighborhoods. If left unchecked, these patterns will continue to concentrate lower income residents in some neighborhoods and find them scarce in others. 500.15

Map 5.1: 2000-2005 Affordable Housing Development Projects by Neighborhood Typology Index of Housing Costs and Racially or Ethnically Concentrated Areas of Poverty 500.16



Source: DHCD, HUD, HousingInsights.org

While the market for housing has been robust during the last five years since

2010, there is no guarantee this will continue indefinitely. The first six months of

2006 lessons from the financial mortgage collapse of 2007 suggest that softer
demand due to high prices and rising interest rates or other risks could test the

resiliency of Washington, DC's housing market. Measures to increase
affordable housing must be mindful of market dynamics and the burden placed on
the private sector so that forward momentum can be sustained. This may require
additional bold steps by District government, such as the recent increased
allocation of funding in 2015 to the HPTF from in the deed recordation and

transfer taxes, and other sources. 500.17

- One of the critical issues facing the city is how to retain and create more housing units that are large enough for families with children. As a percent of total households in the District, In 2006, 21 percent are of District households were comprised of families with children. By 2017, the percent of households with children had fallen to below 20 percent, as households with children struggle to find units they can afford. This percentage has been stable over several decades and is substantially lower than the 33 percent rate for both the region and 31 percent for the nation. However, Other other cities such as San Francisco, New York and Boston also experienced declines in the percent of households with children since 2006 have similar rates to the District. New York's rate is 30 percent, which is closer to the national average. 500.18
- Family households with children need larger housing units with more bedrooms. Of the city's existing housing stock, only one-third 34 percent of the units have three bedrooms or more, which is a slight decline from 2006 when 35 percent of units had three or more bedrooms. Eighty-nine percent of recent new construction has been apartments, with fewer bedrooms of which only two percent had three or more bedrooms. Yii Of new condominium units built since 2006, less than 10 percent had three or more bedrooms. Since the vast majority of Washington, DC's capacity for growth is in multi-family development, the city will need to look to apartment buildings to add larger, family sized units. 500.19
- Between 2000 and 2004, the city's vital records show an increase in population in 500.20 the 0-4, 20-34, 55-69, and the 80 or more years age groupings. The increase in the youngest grouping is a positive sign that families in the city are having children. Many residents of Washington, DC have a strong desire to stay, whether they have recently moved here or whether their family has lived in Washington, DC for multiple generations. As discussed in the Framework Element, Washington, DC experienced a tremendous increase in the number of younger adults between the ages of 20 and 39 since 2006. This has led to an increase in children from 0 to 14 and the young adults are finding their housing needs change as they start new families. The increase in young children is an early indication of their parents' desire and intention to stay in the city. At the same time, the District is also expecting an increase in older residents. Retaining A broad retention strategy is needed for these new families and the city's and existing families, and the overlapping housing needs of older adults is important to maintain the health and equity of the city. 500.20

- The availability of single-family housing and housing with more rooms are two factors that are positively correlated with retaining family households. Of course, there are many other factors that are important, including affordability, crime, **childcare**, **parks** and school quality. 500.21
- Who is moving in and out of the District? According to Fannie Mae's Housing in the National's Capital Table 5.3 shows the demographics of migration in and out of the District. It shows that in 2017, one in five 9 percent (113,00065,522) of the District's 2000 2017 population had moved into the city-since 1995 that year. Out-movers during this same period year numbered 158,00060,873. Inmovers were less likely to be families with children than out-movers (25% versus 45%), less likely to be black, more likely to be poor, and also more less likely to be homeowners than out-movers during the same period. Table 5.3 shows migration in and out of the District from 1995 to 2000. 500.22

NEW Table 5.3: Migration In and Out of the District, 1995-2000 2017 500.23

Moving Out		In-Movers					
	Total	Total	<b>Another State</b>	Abroad			
Number of people	60,873	65,522	54,722	10,800			
In Poverty	7,150	10,656	8,440	2,216			
White	32,682	39,014	32,158	6,856			
Black	19,909	17,063	15,797	1,266			
Asian/Pacific Islander/Other	6,225	6,787	4,662	2,125			
Two or More Races	1,925	2,490	2,025	465			
Hispanic	6,384	5,975	4,227	1,748			
Age 1-4 years	2,996	1,522	1,115	407			
Age 5-17 years	4,592	2,913	2,044	869			
Age 18-29 years	24,554	37,819	24,554	4,709			
Age 30-39 years	15,412	11,812	9,438	2,374			
Homeowners	19,060	11,103	8,355	2,748			
Renters	35,797	38,822	32,208	6,614			

Source: US Census American Communities Survey (ACS) 2017, DC Office of Planning

NEW
Overall there are a number of key indicators that suggest the demand for housing in the city will remain strong in the near future. These include a strong employment market, improving schools, and a walkable urban lifestyle that is attractive to a new generation of urban residents. The increase in young children (0-14) is an early indication of their parents' desire and intention to stay in the city. Retaining new and existing families is important to Washington,

#### DC's vibrancy and health.

- This Housing Element seeks to address the challenges of rising costs and other housing problems through its policies and actions. It is organized into four major sections. The first addresses housing production, including both market-rate and affordable housing. The second addresses housing conservation preservation, focusing particularly on anti-displacement strategies and housing maintenance. The third section addresses home ownership and fair housing laws. The final section covers the special needs of the homeless, persons with disabilities, seniors, and others who are not adequately served by the private market. 500.24
- 501 Housing Goal
- The overarching goal for housing is: Develop and maintain <u>new residential units</u>

  to achieve a total of 360,000 by 2025 that provide a safe, decent, accessible and affordable supply of housing for all current and future residents of throughout all neighborhoods of the District of Columbia.501.1

Policies and Actions

- 502 H-1 Homes for an Inclusive City
- This section of the Housing Element addresses housing production, both for market rate and affordable units. 502.1
- 502.2 The District must increase its sustain a high rate of housing production if it is to meet current and projected needs through 2025 and remain an economically vibrant city. Over the next 20 years through 2035, the District's housing stock is forecast to increase from a base of about 280,000310,000xiv in 2005 2015 to 335,000 397,000 units in 2025 2035. Between 2005 2015 and 2010-2020, 10,000 23,000 new additional units are expected to be built, based on projects that are now under construction, or soon to break ground, or by conversion to smaller units. The remaining new units - 45,000 in total The Housing Goal accelerates that rate of production between 2018 and 2025 to achieve 36,000 new units will be needed by 2025 to improve affordability and the long term balance between demand and supply. This is equivalent to 3,000 5,100 new additional units per year. This is significantly higher than the rate of production experienced during 2000-2005 2010-2015 and demand pressures suggest there is a need for even more. However, the city permitted issued permits for an average of 2,860 4,483 units of new construction per year in 2005 after recovering from the

national recession, indicating this target of 5,100 units per year is not out of reach. Table 5.4 illustrates the goal for both total and income-restricted affordable units per Figure 5.2 and how the goal would extend through 2030 and 2050. 502.2

NEW Table 5.4 Total Residential and Affordable Unit Goals: 2018 – 2050

	2018	2020	2025		2030	2050
	Base	Estimated	Pipeline	Goal		
Total Residential Units	324,300	334,600	360,3	00	384,200	456,890
2018 - 2025 Total Increase		36,0	00			
Total Dedicated Affordable	51,960	55,867	59,930	63,960	71,930	96,160
2018 - 2025 Affordable Increase		12,0	00			
Percent Affordable	16.0%	16.7%	16.6%	17.8%	18.7%	21.0%
Base						
Forecast/Pipeline Estimates						
Housing Goals						

Source: Office of Planning, DMPED.

- 502.3 As noted in the Land Use and Framework Elements, the city already has the land resources to meet this demand. But land alone is not enough to ensure the production of housing. And housing production alone does not guarantee that a portion of the new units will be affordable to all households. The approach must vary with the characteristics of the site and surrounding conditions. For instance, infill housing development in Neighborhood Conservation Areas typically has infrastructure but can be constrained by lot sizes and is dependent on surrounding market strength. Redevelopment of ground floor uses along the city's Main Street Mixed Use Corridors is often delayed until market demand drives housing prices high enough to overcome the return provided by the existing uses. Neighborhood Enhancement Areas not only need comprehensive infrastructure investment, but catalytic projects as well to demonstrate the viability of further private sector investment. Finally, large sites with significant capacity need major infrastructure investment to knit them into their surrounding neighborhoods. 502.3
- A multi-pronged strategy is needed to facilitate production, address regulatory and administrative constraints, and ensure that a substantial number of the new units added are affordable to District residents. New units should also be visitable to residents who are living with disabilities and enable residents to age in community. Visitability refers to apartments and single family housing that can be lived in or visited by persons who have trouble with steps or who use

wheelchairs or walkers. Many of the basic tenets of this strategy were established by the 2006 Comprehensive Housing Strategy and are reiterated discussed in the text box on the following page. 502.4

NEW

Participation from private sector investors is critical to achieving
Washington, DC's housing goal and presents several challenges as they
pursue investment opportunities. Some locations remain underutilized within
the permitted density for a variety of reasons. In some locations, existing
ground floor uses produce a sufficiently high return that discourages and
delays redevelopment. In other locations, the increased construction costs
needed for taller building types sometimes lead investors to use lower density,
less expensive methods that underutilize a site's potential development
capacity. Finally, development of new supply tends to slow down as soon as
supply starts to meet demand, and the pace of absorption and revenue
growth slows or declines below investors' expectations. These are economic
realities that all cities face.

502.5 Callout Box: The Comprehensive Housing Strategy 502.5

The housing policies of the Comprehensive Plan started In in 2003, when the Council of the District of Columbia passed the "Comprehensive Housing Strategy Act," creating a Task Force charged with developing recommendations on the housing needs of current and future residents of the District. The 28 member Task Force, was specifically asked to explore It included strategies for preserving and creating mixed income neighborhoods; assessing the quality, availability, and affordability of rental housing; creating home ownership opportunities; preventing displacement; assessing special needs housing; promoting workforce housing; and increasing the District's population by 100,000 residents.

The 2006 Task Force report, *Homes for an Inclusive City*, presents presented seven basic recommendations for improving housing affordability and growing the population. Foremost among these is was the production of 55,000 new housing units, including 19,000 affordable units, and the preservation of at least 30,000 existing affordable units. The report includes strategies to increase the home ownership rate, provide direct assistance to 14,600 low income renter households, and include affordable housing in the "new neighborhoods" to be developed during the next 15 years. The report emphasizes the need to build the eity's administrative capacity for housing production, and to enact complementary programs to improve neighborhood services to attract and retain residents. The cost of these recommendations is estimated at \$300 million per year over 15 years.

Subsequent task forces have built upon the original strategies found in Homes for an Inclusive City and developed additional policies found in the Bridges to Opportunity and Housing Preservation Strike Force final reports. These efforts focused on such strategies initiatives as providing wrap around supportive social service contracts into affordable housing investments. In addition, the District submitted to HUD the 2016-2021 5-Year Consolidated Plan, which included data analysis, citizen participation, and the development of an implementation program on how the District would expend funds from federal programs, including Community Development Block Grants (CDBG) and HOME Investment Partnership.

Many of the <u>original</u> strategies in <u>Homes for an Inclusive City</u> the <u>Housing</u>

Strategy have been were carried forward into this the 2006 Comprehensive Plan

Housing Element. <u>The proposed amendments add in those policies from the</u>

<u>subsequent task forces.</u> This is an important step toward their implementation, and will move the city one step closer to achieving its housing goals.

# End Callout Box

- 503 H-1.1 Expanding Housing Supply
- 503.1 Expanding the housing supply is a key part of the District's vision to create successful neighborhoods. Along with improved transportation and shopping, better neighborhood schools and parks, preservation of historic resources, and improved design and identity, the production of market rate and affordable housing is essential to the future of our neighborhoods. It is also a key to improving the city's fiscal health. The District will work to facilitate housing construction and rehabilitation through its planning, building, zoning, permitting, and housing, inspection, and taxation programs, recognizing and responding to the needs of all segments of the community in order to achieve an adequate and diverse housing supply. The first step toward meeting this goal is to ensure that an adequate supply of appropriately zoned land is available to meet expected housing needs. Public investment in high quality public infrastructure including transportation, public space, schools and libraries is also critical to ensuring all neighborhoods provide a high degree of access to opportunity. Administration of regulatory processes shall aim to encourage, not discourage, the creation of new housing. 503.1
- NEW
  The supply of housing should grow sufficiently to slow rising costs of market rate rental and for-sale housing. Expanding supply alone will not fulfill all of Washington, DC's housing needs at lower income levels, but it is one

important element of the strategy to ensure unmet demand at higher price points does not further hasten the loss of 'naturally occurring' affordable housing.

- 503.2 *Policy H-1.1.1: Private Sector Support* 
  - Encourage <u>and/or require</u> the private sector to provide <u>both</u> new <u>market rate</u> <u>and affordable</u> housing to meet the needs of present and future District residents at locations consistent with District land use policies and objectives. 503.2
- 503.3 *Policy H-1.1.2: Production Incentives*

Provide suitable regulatory, tax, and financing incentives to meet housing production goals. These incentives should continue to include zoning regulations that permit greater building area for commercial projects that include housing than for commercial projects that do not include housing and relaxation of height and density limits near transit. 503.3

503.4 Policy H-1.1.3: Balanced Growth

Strongly encourage the development of new housing on surplus, vacant and underutilized land in all parts of the city. Ensure that a sufficient supply of land is planned and zoned to enable the city to meet its long-term housing needs, including the need for low- and moderate-density single family homes as well as the need for higher-density housing. 503.4

503.5 *Policy H-1.1.4: Mixed Use Development* 

Promote <u>moderate to high density</u> mixed use development <u>including that</u> <u>includes affordable</u> housing on commercially zoned land, particularly in neighborhood commercial centers, along Main Street mixed use <u>corridors</u>, <u>and high capacity surface transit</u> corridors, and around <del>appropriate</del> Metrorail stations. 503.5

503.6 *Policy H-1.1.5: Housing Quality* 

Require the design of affordable <u>and accessible</u> housing to meet <u>or exceed</u> the same high-quality architectural standards <del>required of achieved by market-rate</del> housing <u>and ensure they are built with high quality materials and systems</u> that minimize long-term operational, repair and capital replacement.

Regardless of its affordability level, new or renovated housing should be indistinguishable from market rate housing in its exterior appearance and should address the need for open space and recreational amenities, and respect the design integrity of adjacent properties and the surrounding neighborhood.

# 503.7 *Policy H-1.1.6: Housing in the Central City*

Absorb a substantial component of the demand for new high-density housing in Central Washington and along the Anacostia River. Absorbing the demand for higher density <a href="https://example.com/housing">housing</a> within these areas is an effective way to meet housing demands, <a href="maximizes infrastructure and proximity to jobs">maximizes infrastructure and proximity to jobs</a>, create mixed-use areas, and <a href="maximizes the cost pressure on existing single family">ensidential neighborhoods throughout the city.</a> <a href="Market rate and affordable">Market rate and affordable</a> <a href="mailto:Mixed mixed">Mixed mixed</a> income, higher density downtown housing also provides the opportunity to create vibrant street life, and to support the restaurants, retail, entertainment, and other amenities <a href="mailto:that are desired and needed">that are desired and needed</a> in the heart of the city. <a href="mailto:503.7">503.7</a>

See the Land Use, Urban Design, and Area Elements for related policies.

# 503.8 *Policy H-1.1.7:* New Neighborhoods Large Sites

Accommodate a significant share of the District's projected housing demand in "new neighborhoods" developed on large sites formerly used for government functions. In addition to giving priority to market rate and affordable housing, these neighborhoods must should include or have access to well-planned retail, public schools, attractive parks, open space and recreation, enable resilient, innovative neighborhood level energy systems, as well as needed supportive services. The new neighborhoods should include a variety of housing types, serving a diverse population and a variety of income levels. 503.8

# NEW Policy H-1.1.8: Production of Housing in High Cost Areas

Encourage development of both market rate and affordable housing in high cost areas of the city making these areas more inclusive. Develop new innovative tools and techniques that support affordable housing in these areas. Doing so increase costs per unit but provides greater benefits in terms of access to opportunity and outcomes.

See also the Land Use Element policies on transit<u>-</u>oriented development and mixed use.

503.9 Action H-1.1.A: Rezoning of Marginal Commercial Land

Perform an evaluation of Continue to evaluate commercially zoned land in the District, focusing on the "Great Streets" high-capacity surface transit corridors, other arterial streets, and scattered small commercially-zoned pockets of land which no longer contain active commercial land uses. The evaluation should consider the feasibility of rezoning some of these areas from commercial to

<u>mixed-use or</u> residential districts, in order to ensure their future development with housing. 503.9

- 503.10 Action H-1.1.B: Annual Housing Reports and Monitoring Efforts

  Consider development of Develop an Annual "State of DC Housing Report" which improves the quality of information on which to make housing policy decisions and/or a Housing Oversight Board comprised of residents, for profit, and non-profit developers that reports each year on the effectiveness and outcomes of the District's housing programs. Include information on trends and needs, such as the availability and affordability of units by income, tenure, building type, bedrooms, and production patterns and capacity by planning area and other characteristics. The report should also include a framework for evaluating progress toward measurable goals. 503.10
- NEW

  Action H.1.1.C: Regional Planning for Expanding the Supply of Housing

  Pursue intergovernmental agreements and initiatives with the jurisdictions of
  the metropolitan region that expand the housing supply and broaden
  affordability throughout the region, and that do not leave the responsibility
  solely to any one jurisdiction.
- NEW

  Action H.1.1.D: Research New Ways to Expand Housing

  Continue research to expand market rate and affordable housing
  opportunities in Washington, DC such as expanding existing zoning tools and
  requirements. Consider a broad range of options to address housing
  constraints which could include updating the Height Act of 1910, a federal
  law, outside of the monumental core if it can promote housing production.
- 504 H-1.2 Ensuring Housing Affordability
- The District of Columbia faces numerous affordable housing challenges. It has both a disproportionate share of the region's poorest residents and the region's most rapid decline in the availability of housing to serve these residents. In 2005, the median income for a family of four for the region was \$89,300, but it was just \$55,750 in the District. Census data indicates that by 2017 the gap had narrowed by almost half. In fact, between 2005 and 2017, the share of the city's households earning below the regional median income declined from about 75 percent to 52 percent of households. three-quarters of the city's households earn below the regional median income, while at the same time Due to Washington, DC's growing attraction to higher income households, housing prices in the city are increasing at a faster rate than almost any

jurisdiction in the metropolitan area. The share of District renters who paid more than 30 percent of their incomes for housing jumped from 39 percent in 2000 to 46 percent in 2004. In 2017, the estimated share of households paying more than 30 percent of their income for housing had fallen to 36 percent of all households. Similarly, the The share paying more than 50 percent of their incomes elimbed declined from 18 percent to 23 percent in 2004 to 20 percent by 2017. Data suggests this is not due to improving affordability but rather the in-migration of wealthier households and the out-migration of lower income households. 504.1

NEW

In Washington, DC and across the nation, home prices fluctuated dramatically since 2006. Prices in the District peaked in April 2007, soon after the adoption of the 2006 Comprehensive Plan. While the collapse of the national mortgage markets did not affect Washington as badly as some parts of the country, many neighborhoods did suffer from high foreclosure rates and severe decline in values. Among the hardest hit neighborhoods were those along Eastern and Southern Avenues in the Upper Northeast, Far Northeast and Southeast, and the Far Southeast and Southwest Areas such as Washington Highlands, North Michigan Park, Bellevue, and Capitol View. In addition to the national mortgage collapse, the problems were exacerbated by limited access to competitive mortgages, which forced many homebuyers to use predatory sub-prime lending. By 2017, single-family values in some of these neighborhoods, especially those East of the River, were finally exceeding their previous peaks achieved in 2007. However, condominiums are still experiencing declining values in some neighborhoods stemming from failing homeowner associations maintenance and other problems.

504.2

Single-family home values elsewhere in the city have more than just recovered. Prices have risen everywhere but Values have gone up most rapidly in the older moderately priced neighborhoods to the north and east of downtown. Parts of Neighborhoods such as Trinidad, LeDroit Park Capitol Hill, Shaw, Columbia Heights, and Eckington Bloomingdale recovered rapidly and experienced annualized sales price increases of over 20 8 to almost 11 percent a year between 1999 2009 and 2004 2017xv. Even neighborhoods east of the Anacostia River experienced double digit inflation during this time period. Price increases in the affluent neighborhoods west of Rock Creek were less dramatic, but they also experienced the least decline as a result of the mortgage crisis.

As a result, they continue to be but were already out of reach for most District residents even before 2000. 504.2

- 504.3 Economic forecasts suggest that many of the jobs that will be created in the District during the next 20 10 years will not provide the compensation needed to pay for housing in the city. Occupations that pay the lowest third of wages are expected to represent 45 percent of the job growth. For example, some of the District's fast-growing fastest growing occupations are expected to be Home Health and Personal Care Aides, which pay office support, sales, and service sector pays an average an annual wage of \$36,000 29,000. xvi For a single wageearner, this provides barely enough income would qualify them for the deepest level of subsidy to rent a one bedroom apartment, much less to with almost no chance to purchase a condominium or single family home. Even a two-income household with such salaries would be unable to afford market-rate home ownership. As the gap widens, there may be a number of consequences. Residents may work unreasonably long hours or multiple jobs; they may double up in overcrowded apartments and houses; live in unsafe or substandard housing; or give up living in the District altogether, choosing instead to endure long commutes into the city each day. 504.3
- The District has been working to protect the affordability of existing housing opportunities for lower income residents and to ensure that a substantial share of the housing built in the next 20 years is affordable to District residents. Between 1999 and 2005, the District's housing agencies expended over \$1 billion in gross public subsidies on construction and renovation. The District's Housing Production Trust Fund is now the largest per capita source of locally dedicated funding for affordable housing of any city in the country. An array of financial and regulatory tools and programs already are in place, some linked to federal housing programs, some created by District government, and others originating through partnerships with the private and non-profit sectors (see Table 5.4 5.5 for a list of the major housing programs in the District). 504.4
- The District also has been pursuing <u>legislative and</u> regulatory measures that require affordable housing in new development. <u>In addition to IZ, a 2013</u>

  <u>District law requires District properties sold for residential development to provide 20 to 30 percent of the units depending on proximity to transit. The law targets a range of households earning from extremely low income to moderate income, which depend on the tenure of the project. In addition, For <u>for</u> many years, the city has had a policy requiring developers seeking commercial density bonuses to provide affordable housing or pay into the Housing Production Trust Fund. <u>In addition, a pending inclusionary zoning ordinance would require affordable units within future market rate residential development of 10 units or greater.</u> The foundation for these actions was created</u>

by the previous Comprehensive Plan Plans and is carried forward in this Element. 504.5

- 504.6 Policy H-1.2.1: Affordable Housing Production as a Civic Priority

  Establish the production and preservation of affordable housing for low and moderate income households as a major civic priority, to be supported through public programs that stimulate affordable housing production and rehabilitation throughout all neighborhoods of the city. 504.6
- Consistent with the Comprehensive Housing Strategy, work toward a goal that one-third of the new housing built in the city over the next 20 years, or approximately 29,000 units, should be affordable to persons earning 80 percent or less of the area wide median family income (AMI) (MFI). Newly produced affordable units should be targeted towards low-income households in proportions roughly equivalent to the proportions shown in Figure 5.23. 504.7
- Focus investment strategies and affordable housing programs to distribute mixed income housing more equitably across the entire city, taking steps by developing goals and tools for affordable housing, establishing a minimum percent affordable by planning area to avoid further concentration of poverty within areas of the city that already have that create housing options in high cost areas, avoid substantial further concentrations of affordable housing, and meet fair housing requirements. 504.8
- NEW Table 5.4 Major Housing Programs in the District 504.9

	Apartment Improvement					
	Construction Assistance					
	Site Acquisition Funding Initiative					
	Distressed Properties Improvement					
	Housing Finance for Elderly, Dependent, and					
Department of Housing and	Disabled					
Community Development	Housing Production Trust Fund					
(DHCD)	Affordable Housing Preservation Fund					
	Inclusionary Zoning					
	Low Income Housing Tax Credits					
	Property Acquisition and Disposition					
	District Opportunity to Purchase					
	Tenant Opportunity to Purchase Assistance					
District of Columbia Housing	Multifamily Housing Development					
Finance Agency (DCHFA)	DC Open Doors Homeownership					
	Housing Choice Voucher Program (Section 8)					
District of Columbia Housing	Local Rent Supplment Program (LRSP)					
Authority (DCHA)	Choice Neighborhoods (HOPE VI Program)					
	Public Housing Public Housing					
Deputy Mayor for Planning	New Communities					
and Economic Development	Public Land Disposition Affordability					
(DMPED)	Requirements					
District of Columbia Office of	Affordable Housing through Planned Unit					
Planning	Development Cases					
	Historic Homeowner Grant Program					
	Rent Control					
DC Council	Tax Abatement for Seniors and Low Income					
	Housing					
Source: 2019 DC Office of Planning						

# MOVED Callout Box: What is Affordable Housing? 504.10

One of the most common requests made during Comprehensive Plan public meetings was to provide a clear definition of "affordable" housing.

Affordable housing is defined as housing in which occupancy is limited to households meeting special income guidelines. The price of this housing is maintained at a level below what the free market would demand using restrictive deeds, covenants, mortgage subsidies, vouchers, or other means tied to public financing or tax credits. Generally, the cost of affordable housing is limited to 30% of a household's income (which varies according to the number of people in the household); different affordable housing programs are "benchmarked", or targeted, to specific income groups as defined by the US Department of Housing

and Urban Development. The benchmarked incomes for the Washington Metropolitan Area in 2005 are shown in the table below. The list includes the major housing assistance programs that serve households in each group. In 2005, the areawide median income (AMI) \* for a family of four was \$89,300. The terms "extremely low", "very low", "low", and "moderate" income correspond to up to 30%, 50%, 80%, and 120% of that amount, respectively.

Example: If a single mother of two earned \$7 per hour, her annual income would be \$14,560 and fall within the "extremely low income" category. If she spends 30% of her income on housing, she could afford to pay only \$364 per month on housing. Finding decent housing or any housing at this price range is a challenge in Washington.

By contrast, "market rate" housing is defined as housing with rents or sales prices that are allowed to change with market conditions, including increased demand. Some market rate housing may be affordable to moderate and some low income households. Rent-controlled apartments are counted as "market rate" units because there are no occupancy restrictions. The District's rent control law stipulates that rents on market rate apartments built prior to 1975 may rise only as fast as the Consumer Price Index (CPI).

\*\* Regional Areawide Median Income (AMI) is used rather than DC's median income because it is the federal government benchmark commonly used to qualify for funding subsidies.

- Require that a substantial percentage 20 to 30 percent of the housing units built on publicly owned sites, including disposed of for housing, or co-located with local public facilities, and sites being transferred from federal to District jurisdiction, are reserved for a range of household incomes including extremely-low and low-income for rental units, and very low and moderate low-income households for ownership units. Prioritize the provision of affordable housing in areas of high housing costs. Take into consideration the need for accessibility for people with disabilities. 504.11
- Policy H-1.2.5: Workforce Moderate Income Housing
  In addition to programs targeting persons of very low and extremely low incomes, develop and implement programs that meet the housing needs of teachers, fire fighters, police officers, nurses, city workers, and others in the public service

professions with wages insufficient to afford market-rate housing in the city. 504.12

- Actively involve and coordinate with the nonprofit development sector, including faith-based institutions, to meet affordable housing needs, including housing construction and housing service delivery, increasing their capacity to produce affordable housing. Enter into partnerships Partner with the non-profit sector so that public funding can be used to leverage the creation of affordable units and to expand access to housing through counseling, education, tenant rights services, and increased awareness of funding opportunities. Many religious institutions own land and the provision of affordable housing and care of the poor is within their charitable missions. Those institutions may need technical support, but can be willing partners in providing space for affordable housing. 504.13
- Provide zoning incentives, such as through the Planned Unit Development process, to developers proposing to build low- and moderate income a substantial amount of affordable housing. Affordable housing above and beyond any underlying requirement. The affordable housing proffered shall be considered a top-priority public benefit for the purposes of granting density bonuses when new development is proposed, especially when the proposal expands the inclusiveness of high cost area by adding affordable housing. When density bonuses are granted, flexibility in development standards should be considered to minimize impacts on contributing features and the character of the neighborhood Density bonuses should be granted in historic districts only when the effect of such increased density does not significantly undermine the character of the neighborhood. 504.14
- 504.15 Policy H-1.2.8: DC Housing Finance Agency
  Support the activities of the District's Housing Finance Agency to finance new construction and rehabilitation of affordable rental and owner units, including vacant and abandoned units. 504.15
- NEW
  Policy H-1.2.9 Advancing Diversity and Equity of Planning Areas
  Proactively plan and facilitate affordable housing opportunities and make
  targeted investments that increase demographic diversity and equity across
  the city. Achieve a minimum of 15 percent affordable units within each Planning
  Area by 2050. Provide protected classes (see H-3.2 Housing Access) with a fair

opportunity to live in a choice of homes and neighborhoods, including their current homes and neighborhoods.

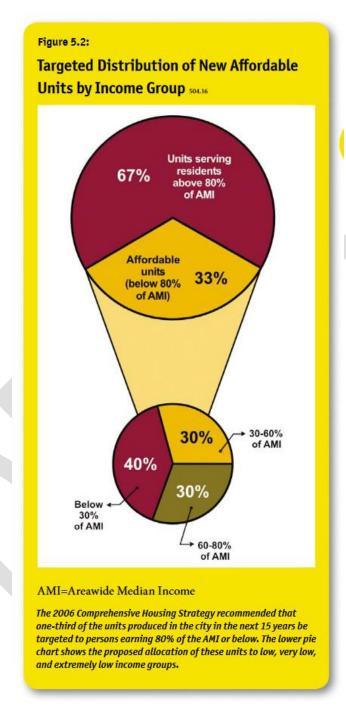
<u>NEW</u> <u>Policy H-1.2.10 Redevelopment of Existing Subsidized and "Naturally Occurring" Affordable Housing</u>

Encourage and incentivize build-first and one-for-one, on-site in-kind replacement of affordable units, including larger family sized units as appropriate, and relocation and right of return plans when projects redeveloping affordable housing seek additional density beyond that permitted by existing zoning. Work to identify and coordinate financial assistance to ensure long-term affordability when projects meet these criteria.

NEW Policy H-1.2.11 Inclusive Mixed Income Neighborhoods

Support mixed income housing by encouraging affordable housing in high cost areas as well as, encouraging market rate housing in among low income areas while taking steps that build in long term affordability to minimize displacement and achieve a balance of housing opportunities across the city.

Figure 5.23: Targeted Distribution of New Affordable Units by Income Group 504.16



The 2006 Comprehensive Housing Strategy recommended that one-third of the units produced in the city in the next 15 years be targeted to persons earning 80% of the AMI\_MFI or below. The lower pie chart shows the proposed allocation of these units to low, very low, and extremely low income groups.

- 504.17 Callout Box: The District's Commercial Linkage Requirement 504.17 In 1994, the District of Columbia adopted zoning provisions that linked the granting of bonus density in commercial development projects to requirements for affordable housing. The "linkage" recognized that the demand for housing in the city was driven in part by new commercial development and rising land values. The District's commercial linkage requirements are codified in D.C. Official Code §§ 1-306.31 and 1-306.45. The linkage provisions are currently triggered by:
  - The approval of a "discretionary and otherwise appropriate street or alley closing which results in the provision of additional commercial office space" non-residential square footage by the Council; or
  - The provision of habitable, non-residential penthouse space; or
  - The approval of a "discretionary and otherwise appropriate zoning density increase which results in the provision of additional office space " non-residential square footage by the Zoning Commission, or the Board of Zoning Adjustment.

In such cases, applicants are required to construct or rehabilitate housing that remains affordable to low and moderate income households for at least 20 40 years, or to pay into the District's Housing Production Trust Fund. If the applicant agrees to construct or rehabilitate affordable housing, the square footage of housing that must be built varies from 25 to 50 percent of the density "bonus" being granted, depending on if the housing is provided on-site or off-site, or in a high housing cost area. Applicants can use any of a number of tools to build the housing, such as partnerships and joint ventures. If the applicant agrees to pay into the Housing Production Trust Fund, the payment must equal at least half of the assessed value of the square footage of the density "bonus" being granted plus the square footage of any preexisting housing demolished as a result of the non-residential development. Additional provisions relating to the timing and the valuation of the improvements apply.

The linkage requirements include a number of exemptions, such as projects that are already subject to housing, retail, arts, or historic preservation requirements, projects approved prior to 1994, and projects receiving density bonuses through variances located in enhanced/new neighborhood or enhanced/new multineighborhood centers. The Zoning Commission shall view the linkage as a required mitigation of the additional non-residential density, but also has the authority to grant exemptions from this requirement based on certain findings relating to Comprehensive Plan consistency.

504.18 *Action H-1.2.A: Inclusionary Zoning* 

Adopt an Inclusionary Zoning requirement which would require the inclusion of affordable units for low income households in new residential developments of 10 units or greater, with accompanying provisions for density bonuses and long-term affordability. Apply this requirement as fairly and uniformly as possible, providing flexibility as necessary for sites where density bonuses cannot feasibly be provided. Completed – See Implementation Table-504.18

504.19 Action H-1.2.B: Commercial Linkage Assessment

Prepare an assessment of <u>Review</u> the District's existing commercial linkage requirements to <u>determine improve</u> the effectiveness of this program and assess its impacts, advantages, and disadvantages <u>such as how and when linkage fees</u> <u>are paid</u>. Based on findings, adjust the linkage requirements as needed. 504.19

504.20 Action H-1.2.C: New Revenue Sources

Identify Continued to identify and tap new sources of revenue for programs such as the Housing Production Trust Fund (HPTF) to produce affordable housing and keep rental and owned housing affordable. These new sources could include increases in should add to the portion of the deed and recordation tax taxes dedicated to the HPTF, increases in the recordation tax, or such as the feasibility of earmarking of a portion of residential property tax revenue increases to the Fund. 504.20

504.21 Action H-1.2.D: Land Banking

Develop a strategic land acquisition program to purchase land in the District to achieve specific housing and neighborhood goals, particularly for the District's three major development entities: the National Capital Revitalization Corporation, the Anacostia Waterfront Corporation, and the DC Housing Authority. Completed – See Implementation Table 504.21

504.22 Action H-1.2.E: <u>LAHDO</u> <u>Property Acquisition and Disposition Division (PADD)</u>
Program

Continue the District's Land Acquisition for Housing Development Opportunities (LAHDO) PADD program, which acquires property (using primarily District capital budget funds) and provides for long-term lease-back or low cost terms to private developers that produce low- and moderate-income affordable homeownership and rental housing. 504.22

Action H-1.2.F: Low Income Housing Tax Credits

Expand for-profit builders' use of Low Income Housing Tax Credits as one tool to provide new or rehabilitated affordable housing in the city. 504.23

#### 504.24 Action H-1.2.G: Land Trusts

Support the formation of one or more community land trusts run by public, non-profit, or other community based entities. The mission of the trust would be to acquire land while providing long-term leases to developers of rental and for-sale units. This approach helps ensure that the units remain affordable indefinitely. Completed – See Implementation Table 504.24

#### 504.25 *Action H-1.2.H: Hotel Conversions*

Evaluate the feasibility of requiring an affordable housing set-aside in the event that transient hotels are converted to permanent housing units. Obsolete – See Implementation Table 504.25

# NEW Action H-1.2.I: Leveraging Inclusionary Zoning

Examine and propose greater Inclusionary Zoning requirements when zoning actions permit greater density or change in use. Factors supporting a greater requirement may include high cost areas, proximity to transit stations or high capacity surface transit corridors, and when increases in density or use changes from Production Distribution and Repair to Residential or Mixed-Use. Consider requirements that potentially leverage financial subsidies such as Tax Exempt Bonds.

# NEW Action H-1.2.J: Establish Affordability Goals by Area Element

Establish measurable housing production goals by planning area through an analysis of best practices, housing conditions, impediments, unit and building typology, and forecasts of need. Include a minimum percent share of 15 percent affordable housing by 2050 along with recommendations for incentives and financing tools to create affordable housing opportunities in order to meet fair housing requirements, particularly in high housing cost areas.

### NEW Action H-1.2.K: Continuum of Housing

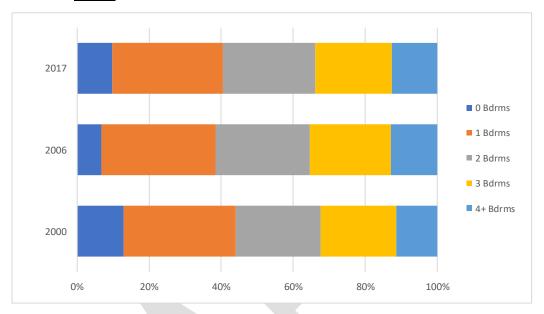
Conduct a periodic review of private development, and Federal and local housing programs in conjunction with a needs assessment to ensure that programs target the applicable gaps in the supply of housing by unit and building type, location and affordability.

### NEW Action H-1.2.L: Priority of Affordable Housing Goals

Prioritize public investment in the new construction of, or conversion to, affordable housing in planning areas with high housing costs and few affordable housing options. Consider land use, zoning, and financial incentives where the supply of affordable units is below a minimum of 15 percent of all units within each area.

- 505 H-1.3 Diversity of Housing Type
- The existing housing stock in the District of Columbia is has varied in size and type over time. As Figure 5.34shows, in 2000 about 44 percent of the city's housing units consist consisted of studios and one bedroom units. The percent of small units declined to 38 percent, mostly through the loss of studios, before rebounding to 42 percent of units by 2017. In 2000, Units units with four or more bedrooms comprise just 11 percent of the total units. By 2017, this had risen slightly to just below 13 percent. Three bedroom units have declined by almost 2 percent since 2006. Of all unit types, only two-bedroom units have consistently grown in number, increasing from 24 percent in 2000 to almost 26 percent in 2017. 505.1
- During the last five years Between 2011 and 2016, more than 80 90 percent of the new housing in the city has consisted of was multi-family housing. As this trend continues, the District faces the prospect possibility of a less diverse housing stock. As Table 5.1 shows, row house units represent a declining share of all housing. Therefore, the city will become more dependent on apartment buildings to provide family sized units., with a growing share of one- and two-bedroom multi-family units and a declining share of housing large enough for families with children. In addition to the newly built housing, the conversion of The conversion of single family row houses, many of which already permit a second unit, into multiunit flats buildings may be further eroding the supply of three and four bedroom units in the city, even as subdivision of large detached homes may be providing provide housing for more persons families. 505.2

NEW Figure 5.34: Distribution of Housing by Number of Bedrooms in Washington, DC, 2000 - 2017 505.3



Source: US Census American Community Survey (ACS) 2017, DC Office of Planning

The housing needs of District residents represent a wide spectrum. Students and young professionals may seek studios, small apartments, or shared housing. Young families may seek small condominiums, townhouses, or small homes in emerging neighborhoods. Families with children may seek homes with three or four bedrooms, a yard, and perhaps a rental unit for added income. Singles and couples with no children may seek single-family homes or apartments. The growing population of seniors older adults may seek to remain in their existing homes or downsize to smaller houses or apartments nearby, while others will want or need retirement communities, assisted living or congregate care facilities. Overall, larger units are more adaptable to changes in demand than smaller units given their ability to serve a wide range of households from individuals seeking to share housing, to young growing families, to multigenerational households. It is difficult to determine if these changing needs will compete or complement each other. As an example, will down-sizing older residents permit a natural turnover of Washington, DC's larger units to young growing families, or will there be overlap of competing interests? 505.4

NEW
Given the shortage of available land in areas with some of the highest
housing costs promoting Accessory Apartments, also known as accessory
dwelling units, is one way to provide housing options for persons at all

505.4

income levels and support the transition from older to younger households. Large homes may easily accommodate what is commonly called an "in-law suite" on the top floor or lower level, or above a garage, in place of a garage, or in a separate unit out back. An Accessory Apartment can accommodate a low or moderate-income family, a student, or a senior unable to continue to fulfill the full burdens of homeownership. The added rental income can help a younger household qualify to purchase the home.

- An important part of growing "inclusively" inclusively is to develop and maintain, across neighborhoods and throughout the city, a diverse housing stock of all sizes and types that can fit the needs of the all variety of these households including growing families as well as singles, couples, and aging residents as they transition from independence to skilled nursing care. At its most extreme, market pressures may result in displacement as affordable large rental units are converted to "luxury" upscale condos or upscale apartments. More often, these pressures simply mean that families are having a harder time finding suitable housing in the city. The vacancy rate provides a good barometer of this dilemma. In 2004 2017, the vacancy rate was 8.8 13 percent for studios and one bedroom units, but it was just 4.4 8 percent for units that were two three bedrooms or larger. xvii 505.5
- Provide a larger number of Increase the supply of larger family sized housing units for families with children for both ownership and rental by encouraging new and retaining existing single family homes, duplexes, row houses, and three-and four-bedroom market rate and affordable apartments across the city. The effort should focus both on affordability of the units and the unit and building design features that support families as well as the opportunity to locate near neighborhood amenities such as parks, transit, schools, retail and others. 505.6
- 505.7 Policy H-1.3.2: Tenure Diversity

  Encourage the production of both renter-occupied and owner-occupied housing including housing affordable at low income-levels, throughout the city. 505.7
- Policy H-1.3.3: Assisted Living and Skilled Nursing

  Promote the development of <u>neighborhood based</u> assisted living and skilled nursing facilities. Zoning and health regulations should be designed to promote an increase in supply, security, and affordability of housing for the elderly older adults. 505.8

505.9 *Policy H-1.3.4: Co-operatives and Co-housing* 

Encourage cooperatives, shared housing, and co-housing (housing with private bedrooms, but shared kitchens and common areas) as a more affordable alternative to condominiums. **Explore how both housing types might support multi-generational households.** Ensure that such housing is appropriately regulated to avoid adverse effects on surrounding residences and neighborhoods. 505.9

505.10 *Policy H-1.3.5: Student Housing* 

Require colleges and universities to address the housing needs of their students and promote the use of such housing by their students. 505.10

505.11 Policy H-1.3.6: Single Room Occupancy Units
Allow the development of single room occupancy (SRO) housing in appropriate
zone districts. 505.11

Please consult Land Use Element Policy LU-2.1.7 for policies on row house conversions to multi-family units

505.12 *Action H-1.3.A: Review Residential Zoning Regulations* 

During the revision of the city's zoning regulations, review the residential zoning regulations, particularly the R-4 (row house) zone. Make necessary changes to preserve row houses as single-family units to conserve the city's inventory of housing for larger households. As noted in the Land Use Element, this should include creating an R-4-A zone for one- and two-family row houses, and another zone for multi-family row house flats. Completed – See Implementation Table 505.12

NEW Action H-1.3.B: Create tools for the Production and Retention of Larger Family Sized Units in Multi-Family Housing

Research land use tools and techniques, including development standards, to encourage the development of residential units that meet the needs of larger families, with a focus on financing of affordable units in high cost areas.

NEW

Action H-1.3.C Technical Assistance for Condominiums and Cooperatives

Develop technical assistance and innovative management models to assist in the long term maintenance and sustainability of cooperatives and condominiums.

506 H-1.4 Housing and Neighborhood Revitalization

Housing programs alone cannot create a livable, inclusive city. Part of attracting and retaining residents requires linking housing programs to efforts to deconcentrate reduce poverty, improve schools, provide quality retail, and upgrade services such as child care and job training. Renovation of schools, libraries, health centers, parks and playgrounds, sidewalks and bike lanes, and other neighborhood amenities impact a community's social opportunities and can influence housing choice. These actions will attract new supply to a wider range of under invested areas and broaden the city's affordability. Economic development initiatives can generate income and employment, which create the means to expand housing opportunities. These types of investments can help to affirmatively further fair housing choice across the city. Data on public safety, employment, income, education and other variables can help guide investment to improve housing equity and the quality of life in all District neighborhoods. 506.1

Since Starting in 2000, the District has targeted capital investments to several formerly distressed areas that showed promise for economic and social recovery. In 2002, twelve Twelve areas were designated as "Strategic Neighborhood Improvement Program" (SNIP) areas, with accompanying investments in housing, schools, streetscape, parks, and other public facilities. One of the shared characteristics of these areas was the opportunity for infill development on scattered vacant and abandoned sites. Several of the SNIP areas such as Columbia Heights have already transitioned into thriving mixed income neighborhoods, while others like Ivy City are just beginning to emerge. 506.2

While the SNIP program is no longer active, its focused approach provides important lessons for neighborhood revitalization. For instance, total public investment in Columbia Heights included the Metro station, investment in new and preserving existing affordable housing, five new public spaces or recreation centers, three new or totally remodeled public school facilities and targeted blight reduction. The Metro station is now the most heavily used outside of downtown. Home value appreciation since 2000 has been one of the highest in the city, and it has some of the highest market rate rents. And the Columbia Heights neighborhood is also one of the most diverse neighborhoods, where approximately 18 percent of the housing supply is subsidized affordable rental housing.

506.3 Similar efforts have been made through the city's Home Again Property

Acquisition Disposition Division (PADD) program, which . Home Again acquires and disposes of vacant properties to private and non-profit developers through a land subsidy. The program requires that 30 percent of the new units created in each bundle of properties are sold to households at or below 60 percent of the Area Median Income (see text box). 506.3

#### 506.4 Callout box: Home Again/Property Acquisition and Disposition 506.4

The Home Again Initiative, now called the Property Acquisition and Disposition Division (PADD) of DHCD, was launched in January 2002 with the goal of creating home ownership opportunities for persons of all incomes and became PADD in 2008 by restoring vacant and abandoned properties. PADD is responsible for acquiring and disposing of vacant and abandoned properties in the District, as well as stabilization of the vacant properties it owns. Initially the program The Initiative's efforts have focused on nine neighborhoods with high concentrations of such properties: Columbia Heights, Ivy City/Trinidad, Near Northeast, Shaw/LeDroit Park, Rosedale, Deanwood, Marshall Heights, Anacostia, and Bellevue. PADD is working to dispose its current inventory and as it does, it should to strategically acquire vacant buildings and land.

As of Summer 2006, the program had facilitated:

- Rehabilitation and sale of over 400 vacant properties and lots for owner occupancy;
- Creation of 250 new residential units through its property awards, including 110 new affordable units; and
- A new redevelopment effort in Ivy City that will produce 62 new (former vacant) housing units, 60 percent of which will be affordable to persons at 60% AMI or below.

#### **End Callout Box**

#### 506.5 Callout Box: The New Communities Initiative

New Communities (NCI) is a promising example of a city-led initiative that has the potential to reduce crime, improve neighborhood schools and health services, and create economic opportunities for public and assisted housing residents. The initiative is a partnership between DC government and the private and nonprofit sectors to produce new housing, reduce violent crime, and create a healthy environment for families in some of the city's most distressed neighborhoods.

The initiative is using **District local and capital funding sources**, tax exempt bonds, low income housing tax credits, federal funds, and private investment to

create mixed income housing opportunities in these areas. One-for-one replacement of older publicly assisted housing units with new publicly-assisted units is required to avoid displacement and the net loss of affordable units. In addition, the initiative attempts to use surrounding public and private parcels in order to build the replacement affordable housing first and minimize temporary displacement of residents from their neighborhood. Market rate and workforce housing units are included in each project to cross-subsidize the affordable units and create a mix of incomes and unit types in each project.

The New Communities program seeks to advance many of the city's community development and housing goals such as eliminating concentrations of low income and substandard housing and providing public housing residents with affordable replacement housing in the new community as it is redeveloped.

Planning for the first new community (Sursum Corda Northwest One) was initiated started in 2004. Over the next five years, The first component completed in 2011 was the new Walker Jones Elementary School, and the first three buildings of replacement housing were completed in 2011, 2013, and 2014. A major portion of the remaining project received pre-development approvals in 2016. In the end, the Northwest One New Community Plan will replace more than 500 units of subsidized housing in this troubled complex will be replaced by neighborhood with a total of 1,500 units of mixed income housing.

Three additional communities (Barry Farm, Lincoln Heights/Richardson Dwellings, and Park Morton) were added and are in various stages of completion. Over the next 10 years, a total of 10 mixed-income developments will provide new community amenities such as schools, libraries and recreation centers in each neighborhood. When completed, the four projects within the New Communities Initiative will upgrade 1,500 subsidized affordable units within larger mixed-income communities totaling 5,000-6,000 new units.

#### End Callout Box

On a much larger scale, the DC Housing Authority has rebuilt entire communities through the federal HOPE VI program, which is now called the Choice

Neighborhoods program, replacing deteriorating public housing projects like the Frederick Douglass and Stanton Dwellings with new mixed income neighborhoods like Henson Ridge. More recent sites within the Choice

Neighborhoods include Kenilworth/Parkside, which received local planning

approval in 2016. Similar efforts have been proposed through the New Communities Initiative. (see text box). Federal funding is decreasing, not only for these revitalization efforts, but for routine maintenance of public housing as well. This creates an increasingly difficult challenge for public housing's ability to meet the needs of the District's lowest income households. 506.6

506.7 *Policy H-1.4.1: Restoration of Vacant Housing* 

Target neighborhoods with concentrations of blighted/abandoned buildings and Make make the restoration of vacant housing units a major government priority. Where restoration receives public funding, ensure that a substantial share of the renovated units is made available to persons of households earning very-low and or moderate income and those with disabilities. 506.7

506.8 *Policy H-1.4.2: Opportunities for Upward Mobility* 

Provide opportunities for residents of District-owned and District-assisted housing to achieve self-sufficiency and upward mobility. Specifically explore mechanisms for residents of District-owned and District-assisted housing to purchase their residences become homeowners. At the same time, work to replace units purchased with new District-owned and District-assisted housing stock. 506.8

506.9 Policy H-1.4.3: Focusing Housing Investments

Direct housing improvement funds to neighborhoods with the greatest potential for sustained improvement, based on demographics, market forces, <u>equity</u> <u>considerations</u>, the presence of neighborhood partners and anchor institutions, and similar factors. 506.9

506.10 *Policy H-1.4.4: Public Housing Renovation* 

Public housing is a critical part of meeting the demand for affordable housing and preventing displacement. Continue efforts to transform distressed public and assisted housing projects to create into viable equitable mixed-income neighborhoods, providing Minimize displacement and resident moves, and ensure one-for-one replacement within the District of Columbia of any public housing units that are removed, and observe build-first principles where feasible. Target such efforts to locations where private sector development interest can be leveraged to assist in revitalization. 506.10

Policy H-1.4.5: Scattered Site Acquisition

Encourage the acquisition of individual properties on scattered sites for use as affordable housing in order to de-concentrate poverty, provide more opportunities to low income persons to attend longstanding high-performing

<u>schools in their neighborhoods</u>, and promote the integration of low income households into the community at large. 506.11

- Ensure that the <u>planning for, and new</u> construction of housing is accompanied by concurrent <u>planning and</u> programs to improve neighborhood services, schools, job training, child care, <u>food access</u>, parks, <u>community gardens and open spaces</u>, health care facilities, police and fire facilities, transportation, and emergency response capacity. 506.12
- Action H-1.4.A: Renovation and Rehabilitation of Public Housing
  Continue federal and local programs to rehabilitate and rebuild the District's public housing units, including but not limited to the HOPE VI Choice
  Neighborhood program, Rental Assistance Demonstration (RAD) program, capital and modernization programs, the Community Development Block Grant program, and the District-sponsored New Communities program. 506.13
- 506.14 Action H-1.4.B: Home Again Initiative-Property Acquisition and Disposition

  Continue support for the Home Again Initiative, the Property Acquisition and

  Disposition Division, as a strategy for reducing neighborhood blight, restoring an important part of the city's historic fabric, and providing mixed income housing in neighborhoods with relatively high concentrations of vacant or abandoned residential properties. 506.14
- Continue the positive momentum toward improving the District's existing public housing and Housing Choice Voucher and Local Rent Supplement Programs programs, including the use of sub-market rents to increase use of vouchers in high cost neighborhoods, the RAD program, and effective training of public housing residents in home maintenance skills. In addition, residents should be involved in management and maintenance and the effective renovation, inspection, and re-occupancy of vacant units. 506.15
- 506.16

  Action H-1.4.D: Tax Abatement

  Consider geographically targeted tax abatements and other financial incentives to encourage market rate housing with affordable housing that exceed minimum Inclusionary Zoning standards development in areas where housing must compete with office space for land, similar to the former Downtown Tax Abatement Program. Abatements should consider the potential created by the

<u>conversion of existing office to residential.</u> The potential costs and benefits of tax abatements must be thoroughly analyzed as such programs are considered. 506.16

Support efforts by the DC Housing Authority's planning goals to use its authority to create 1,000 additional units of for its public housing units by studying the need for additional units and developing strategies to meet the needs of existing units. Use subsidized subsidies by funding from the US Department of Housing and Urban Development under the public housing Annual Contributions Contract (ACC), RAD, and other sources. This action is contingent on the availability of funds for a local rent subsidy to cover the annual operating costs

NEW

Action H-1.4.F: Non-Housing Investment in Areas of Concentrated Poverty

Make non-housing neighborhood economic and community development
investments, along with the preservation of existing subsidized affordable
housing in Racially/Ethnically Concentrated Areas of Poverty (R/ECAP as
defined by HUD) to improve the neighborhood amenities and attract private
sector investment to expand housing supply.

NEW

Action H-1.4.G: Co-Location of Housing with Public Facilities

As part of Facility Master Plans and the Capital Improvement Program

conduct a review of and maximize any opportunities to co-locate affordable

mixed-income multi-family housing when there is a proposal for a new or

substantially upgraded local public facility, particularly in high cost areas.

507 H-1.5 Reducing Barriers to Production

for the new units. 506.17

The development of housing may be hampered by both governmental and non-governmental constraints. Governmental constraints include lengthy delays in permit processing and plan approval, insufficient coordination among agencies and utilities, zoning regulations which may not reflect contemporary housing trends, and even prohibitions on certain types of housing. Non-governmental constraints include the high cost of land and rising interest rates. Although much progress has been made in the last five years, serious barriers still exist. Fear of these barriers, and their cost, keeps keep some developers from undertaking projects in the city at all, and keep some homeowners from registering their basement units or other rental uses of their property. 507.1

507.2 *Policy H-1.5.1: Land and Building Regulations* 

Ensure that the <u>The</u> District's land regulations, including its housing and building codes, its zoning regulations, its construction standards, and its permitting fees, enable <u>should not prevent</u> the production of housing for all income groups. Avoid regulations which make it prohibitively expensive or difficult to construct housing. 507.2

507.3 *Policy H-1.5.2: Permitting Procedures* 

Minimize the cost and time associated with development processing, while still addressing community and environmental concerns. Explore measures to improve the permitting process, provided that such measures are consistent with other provisions of the Comprehensive Plan. 507.3

507.4 *Policy H-1.5.3: Modular Construction* 

Ensure that the District's building and housing codes permit the appropriate use of modular and manufactured construction techniques, and other construction methods which may reduce housing costs without compromising **building or** design quality. 507.4

507.5 *Policy H-1.5.4: Financial Incentives* 

Consider tax incentives, reduced permitting and infrastructure fees, underwriting land costs, and other financial measures to reduce the cost of affordable housing construction. 507.5

507.6 Action H-1.5.A: Administrative Improvements

Undertake the administrative changes outlined by the 2006 Comprehensive Housing Strategy to streamline the production and preservation of assisted and mixed income housing. [These changes include the designation of a "chief of housing" to coordinate, facilitate, enable and implement city housing policy, including the policies of independent city housing and public development agencies.] Completed – See Implementation Table 507.6

507.7 *Action H-1.5.B: Changes to the Zoning Regulations* 

Explore changes which would facilitate development of accessory apartments (also called "granny flats" or in-law units), English basements, and single room occupancy housing units. Any changes to existing regulations should be structured to ensure minimal impacts on surrounding uses and neighborhoods.

**Completed – See Implementation Table 507.7** 

507.8 Action H-1.5.C: Smart Housing Codes

Update and modernize the DC Housing Code to reflect the current trend toward "smart" housing codes, which are structured to encourage building rehabilitation and reuse of housing units built before modern building codes were enacted. 507.8

#### 507.9 Action H-1.5.D: Data Management

Maintain electronic inventories on existing housing and potential development sites for the benefit of residents, developers, and policy makers. This information should be used to track housing development and should be used to promote better-informed choices regarding public investment and affordable housing development. 507.9

#### NEW Action H-1.5.E: Reducing Cost of Public Financing

Coordinate and better leverage the resources of District's housing agencies to reduce the cost of financing through the use of technology to expedite the processing and distribution of affordable housing funds, track and monitor applications for such funds, and improve operating procedures for District financing of affordable housing and housing services.

#### NEW Action H-1.5.F: Support of Accessory Apartments

Study whether recent zoning changes are sufficient to facilitate creation of accessory apartments, or whether barriers to their creation still exist, and remove unnecessary obstacles to their creation. Investigate the benefits of financially supporting accessory apartments units, and design a pilot program to increase the number of affordable housing units through accessory apartments units.

#### NEW Action H-1.5.G: Remove Regulatory Obstacles

Continue to identify and review regulatory impediments to the production of market rate and affordable housing. Remove unnecessary and burdensome regulations, and propose more efficient and effective alternatives for achieving important policy and regulatory goals.

#### NEW H-1.6 Sustainability and Resilience

# Policies to promote resilient housing specifically address housing that can withstand potential physical shocks from major hazards and stresses. Energy and water efficiency reduces household expenses and deepens housing affordability for District residents. Inclusive housing enhances the community's ability to respond as one to chronic stresses and unanticipated

shocks. Combined resilient and inclusive housing provides residents the financial capacity and social networks to absorb, recover from, and overcome these current and future challenges facing the District.

**NEW** 

While Washington, DC continues to incorporate the latest, best practices into its building codes, there are additional opportunities to promote more sustainable and resilient housing. New construction and design techniques can reduce greenhouse gas emissions and protect occupants from any harmful effects of future climate conditions or potential floods that will occur during the expected useful life of built structures. As important as building resilience into new housing, the District must also consider ways to strengthen resilience and increase the adaptive capacity of its older residential building stock, including in historic districts, as most housing in Washington, DC was constructed prior to modern codes and thus may be less energy-efficient and more vulnerable to shocks and stresses.

NEW

The benefits of creating safer and more sustainable housing for all residents go beyond reducing the risk to life and property from shocks or stresses. It decreases demands on emergency response, such as allowing people to shelter-in-place versus evacuating Washington, DC or going to public shelters during disaster events. It also decreases the potential disruptive impacts on vital services, commerce, and the economy by reducing the number of people in the workforce who will end up being displaced following such events.

**NEW** 

Transit Oriented Development (TOD) fosters sustainability and resilience. Concentrated residential housing combined with a mix of others uses around metro stations and high capacity surface transit corridors reduces District residents' reliance on automobiles thereby reducing greenhouse gas emissions. It is also proven to reduce a household's combined cost of housing and transportation. This can free disposable income to increase the rate at which households save for future needs. Affordable housing near public transit can ensure that low-income households also receive these benefits. A 2011 study conducted for the District by the Center for Neighborhood Technology found that on average District households spent 26 percent less on transportation than the rest of the metropolitan area. The reduction in transportation costs provides greater affordability for the typical household living in the District than one living farther out where housing is less expensive but more dependent on automobiles. Finally, housing in pedestrian friendly, transit rich environments proved to be more resilient to the price fluctuations caused by the foreclosure financial crisis. This protected

#### homeowner equity from significant damage.

#### NEW Policy H-1.6.1 Resilient and Climate-Adaptive Housing

Incorporate current best practices for resilient, climate-adaptive design in the adoption and enforcement of the District's building and housing construction codes. Base the codes on projected future climate and/or natural hazard conditions for the District informed by the best available data.

#### NEW Policy H-1.6.2 Rehabilitation of Vulnerable Housing

Improve the structural resilience of existing housing units that are at-risk from natural hazards through the promotion of mitigation techniques such as building upgrades and elevating electrical or mechanical equipment above design flood elevations.

#### NEW Policy H-1.6.3: Permanent Post-Disaster Housing

Support households affected by large-scale disasters in returning to safe, suitable, and affordable housing promptly through technical assistance and clear and comprehensive reconstruction guidelines. Include special emphasis on rebuilding homes in locations and according to standards that make them more resilient to future shocks and stresses.

#### PASTED Policy H-2.2.41.6.4: Energy Retrofits for Sustainability

<u>Use low interest loans and other incentives to encourage retrofits that improve Encourage</u> energy efficiency, retrofits that reduce water use, and home heating and cooling costs, thereby reducing <u>energy use</u>, and greenhouse gas <u>emissions</u>, and monthly housing expenditures. 510.6

#### NEW Policy H-1.6.5: Net-Zero, Energy Efficient Housing

**Encourage new housing units in the District to be net-zero energy and water efficient.** 

Please consult the Land Use, Transportation and Environment Element for additional policies and actions on sustainability, resilience and transit oriented development.

- 508 H-2 Housing Conservation Preservation: Retaining Our Housing Stock
  Opportunities
- Preservation of housing in the District-especially affordable housing-is perhaps an even higher priority than increasing housing supply. This section focuses on two

aspects of housing conservation: (1) retaining affordable housing units specifically and (2) retaining existing housing stock generally. 508.1

508.2 The affordability of the District has been losing affordable housing declining rapidly over the past five years, even though funding for affordable units has increased. This has been due to a combination of both through the expiration of federal subsidies and through rising market rents and sales prices. In 2005, the DC Fiscal Policy Institute indicated that rising rents alone caused a loss of 7,500 units with rent levels under \$500 a month between 2000 and 2004 Between 2006 and 2017 the number of rental units affordable to households earning less than 60 percent of the MFI decreased by close to 18,300 units. Table 5.5 also shows that the number of rental units affordable to those earning more than 60 percent increased by approximately 44,800. Over the same period, the number median sales prices of homes valued at or below \$150,000 decreased by 9,400 rose almost 7.3 percent per year while condominiums rose 2.8 percent per year. Between 2000 2006 and 2005 2017, the area's annual median income MFI rose by an average compounded rate of 1.25 less than 1.8 percent a year. while housing prices rose at an average compounded rate of 14.4 percent a year. These changes have been especially hard on the District's poorest residents, particularly elderly renters and those on fixed incomes. 508.2

NEW Table 5.5 Change in Supply of Rental Units by Affordability: 2006 - 2017

	Units Aff		
	Househol		
	Less than	ess than More than	
	60% MFI	60% MFI	Units
2006	87,400	44,600	132,000
2017	69,113	89,365	158,478
Change	(18,287)	44,765	26,478

Source: US Census ACS PUMS, DC Office of Planning

An important part of housing preservation is the maintenance and modernization upkeep of the existing housing stock and its components, such as its heating and air conditioning systems. More than half Almost 62 percent of the housing units in the city are in buildings over 55 years old, and many are over 100 years old. The rise in home prices has been accompanied by a rise in building material and labor costs, making it expensive for many owners to care for their properties. In some parts of the city, lack of maintenance by absentee landlords may threaten the longevity of the housing stock and negatively affect neighborhood character.

Maintenance and energy upgrades This will continue to be an issue in the

future as the existing housing stock grows older and construction, utility, and maintenance costs grow higher. 508.3

- H-2.1 Preservation of Affordable Housing
- Task Force <u>report concluded</u> <u>stated</u> that there were roughly 30,000 affordable and inexpensive market rate housing units throughout the District of Columbia that were at risk of being lost. This is more than 10 percent of the city's housing stock, and it shelters many of the city's most vulnerable residents. To avoid displacement, the District will need to channel a greater share of the revenues being created by the strong housing market into new programs that preserve affordable units. This must be a priority in the city's most affluent areas as well as its poorest areas-indeed, preserving affordable units in affluent neighborhoods is especially important given the high cost of producing new units. 509.1
- Many of the units that are at risk currently receive their funding through the federal Section 8 program. The program was initiated in 1974 and placed 20- to 40-year affordability contracts on apartment buildings. Thousands of these contracts are now expiring, with many of the units being converted to market rate rentals. Similarly, Tax Credit affordable housing projects, which largely started in the 1990's, are now expiring after 30 years of affordability requirements. In fact, half of the current project based Section 8 dwellings are due to expire between 2005 and 2009. The Preservation Strike Force Report estimated that between 2016 and 2020, expiring subsidies will place approximately 13,700 units at risk. Many are located in gentrifying neighborhoods, and there are few incentives to building owners to keep them affordable. 509.2

#### NEW Callout Box: Public private Affordable Housing Preservation Fund

The Public Private Affordable Housing Preservation Fund proposed by the Preservation Strike Force and created in Fiscal Year 2017 is one important step to ensure the District does not lose expiring affordable housing. The innovative fund mixes both public and private dollars to provide rapid bridge acquisition and predevelopment financing. Capitalized in 2017 with \$10 million of public financing, with initial capital of \$30 million from private partners, the Fund could leverage a total of \$80 million toward the preservation of expiring affordable housing.

#### **End Callout Box**

By 2006, the District had experienced Coupled with the loss of Section 8 units has been as well as the demolition of 3,000 public housing units to make way for mixed income projects at East Capitol Gateway, Ellen Wilson, Henson Ridge, Wheeler Creek, and Arthur Capper Carrollsburg. Among these, only Ellen Wilson and Capper Carrollsburg include "one for one" replacement units for each subsidized unit removed. 509.3

#### NEW Callout Box: What is Displacement?

#### NEW Displacement is an issue that m

Displacement is an issue that many residents and policymakers are concerned about and is a critical challenge when attempting to achieve an equitable city. But it is also not a clearly defined term. It often relates to observation of neighborhood change at a high level, as well as situations in which a household is forced to move from their residence at the individual level. For purposes of clarifying processes and use for the Comprehensive Plan, there are three forms of displacement: physical displacement as households must move when the properties they occupy are redeveloped; economic displacement as housing cost increases in the neighborhood force the household to find other housing options; and cultural displacement as residents lose a sense of belonging or shared identity in their neighborhood due to neighborhood change or growth. While these may relate, they each have different planning responses.

#### How Displacement Affects Washington, DC

The loss of naturally occurring affordable housing units illustrated in Table
5.5 along with the decline of lower income, primarily black, households
discussed in the Framework Element indicate Washington, DC has
experienced significant displacement in many neighborhoods and across the
city. National-level studies suggest that, by some measures, the District is the
US city most impacted by both the increasing demand for housing from
higher-income households and the decline in the number of lower income
households.

NEW

Between 2006 and 2017, Washington, DC experienced a decline of more than
15,600 households earning between 30 and 80 percent of the MFI; 9,250
households were homeowners and 6,350 were rental households. Capitol Hill
and other NE neighborhoods experienced the greatest decline with a decrease
of 5,950 households earning between 30 and 80 percent of the MFI. During

this time the data suggests there was a modest increase of extremely low-income households citywide; most moved East of the River and to Upper NW / NE where many have ended up paying more than 50 percent of their income on housing.

#### Addressing Displacement in Washington, DC

- Washington, DC has one of the strongest set of anti-displacement programs in the country, which includes rent control, eviction protection, Tenants'

  Opportunity to Purchase Act, District Opportunity to Purchase Act, locally subsidized rents, tax assessment caps, and finally tax credits for low income and older homeowners.
- Yet, protecting vulnerable citizens from the forces that lead to displacement **NEW** clearly continues to be one of the greatest challenges to growing an equitable and inclusive city. Residents affected by physical displacement are relatively small on an annual basis and can be provided assistance more easily than the significantly larger number and range of households facing economic displacement from rising housing costs caused mainly by a lack of supply. Minimizing the impacts of physical and economic displacement requires balancing the cost-effective approach of preserving mixed-income housing in some locations and expanding housing supply in others through new construction and redevelopment. Achieving such balance will require a greater understanding of neighborhood submarkets, a more sophisticated approach to the allocation of funding, and difficult discussions among community stakeholders regarding approaches to increasing density. Addressing the broader economic displacement goes well beyond the responsibility of any single development. It is incumbent upon the District to strengthen existing policies and develop new ones to counteract and mitigate physical and economic displacement.
- The decline in number of low-income homeowners, who are more insulated from rising housing costs, is an indication of cultural displacement. Older lower income households face many life changes or may pass their property on to heirs, leading to a natural turnover in residents and new faces in the neighborhood. Those who stay experience the loss of long-term friends, neighbors and local businesses, and often are confronted by the everincreasing lure from the economic gain of selling. Confronting this form of displacement will require greater neighbor-to-neighbor and broader civic engagement. Housing policy can serve to retain vulnerable residents, but minimizing the impact of cultural displacement means maintaining

community cultural institutions and businesses, creating civic spaces and events that cross-cultural divides and balancing different needs. The efforts must invite all to participate, interact, and grow a common experience and identity. Focusing efforts in this direction as discussed in other elements of the Comprehensive Plan, along with policies of the Housing Element, will help ensure that as our neighborhoods change and evolve, our neighbors continue to see that there is a place for them in their community and to share in the benefits of living in Washington DC.

**NEW** 

Displacement is a citywide issue and all residents have a stake in addressing it, as it affects all – both current and future residents. Policies in the Comprehensive Plan, along with the District's housing programs and initiatives, will bolster the manner in which all forms of displacement are addressed.

**NEW** 

In addition to policies contained in the Housing Element, see also the Arts and Culture Element and the Equity Crosswalk for policies and actions that address cultural displacement.

#### **End Callout Box**

Looking to the future, the city will need to strengthen existing and add new programs to preserve its affordable stock, particularly its subsidized rental units. Rental housing comprises almost 60 percent of the housing stock and is the main housing option for those just entering the workforce and those without the initial resources to purchase a home. Low income renters are already more likely to pay more than half of their incomes on housing than any other group. In 2006, A a proposal for a District-sponsored rent subsidy program (similar to Section 8) called the Local Rent Subsidy Program was implemented has been included in the city's Comprehensive Housing Strategy to offset the expiring federal subsidies and help other households who are cost-burdened. The proposal calls called for direct rental assistance to 14,600 extremely low income renters. The program has been expanded over the past several years from 2,800 households to over 5,700 and a total cost of \$100 million per year. 509.4

NEWCallout Box: Principles for the Redevelopment of Existing Affordable Housing

Many of Washington, DC's affordable housing developments are aging past their functional lives. This means that not only are the affordability controls expiring, but the structures and systems are sometimes in a state of disrepair,

inefficient, and without modern amenities. In addition, the neighborhoods, the surrounding land uses, and the needs of the city have changed. As the cost of housing rises, the need for dedicated affordable units becomes even greater. For these reasons, redevelopment of expiring affordable housing should use several strategies critical to Washington, DC's growth as an inclusive city, such as:

- Increase the capacity of housing overall, including both market rate and affordable units;
- Advance mixed income neighborhoods with both market rate and affordable housing;
- One-for-one replacement of affordable units;
- Provide family-sized housing, including multi-generation families;
- Build affordable units first to minimize displacement and maximize the return of residents to their community;
- Include tenants' rights of return and comprehensive relocation plans for tenants prior to the redevelopment.
- Many of these strategies will be difficult to achieve, and some may not be appropriate for an individual redevelopment, but the redevelopment of existing affordable housing should strive to employ as many of these strategies as possible. Critical to achieving the goal of inclusivity and the strategies above are the availability and certainty of the land use and financial incentives necessary to make the projects feasible.

#### End Callout Box

Policy H-2.1.1: Protecting Affordable Rental Housing
Recognize the importance of preserving rental housing affordability to the well-being of the District of Columbia and the diversity of its neighborhoods.
Undertake programs to protect the supply of subsidized rental units and low-cost market rate units with an emphasis on preserving affordable units in high cost or rapidly changing neighborhoods where the opportunity for new affordable

509.6 *Policy H-2.1.2: Expiring Federal Subsidies* 

units is limited. 509.5

Preserve <u>100 percent of</u> expiring subsidies for affordable housing units, particularly those in Section 8-based projects, and projects funded with Low Income Housing Tax Credits and Tax Exempt Bonds, wherever possible. 509.6

#### 509.7 *Policy H-2.1.3: Avoiding Displacement*

Maintain programs to minimize displacement resulting from the conversion or renovation of affordable rental housing to more costly forms of housing loss of rental housing units due to demolition or conversion, and the financial hardships created by rising rents on tenants. These programs should include Employ the Tenant and/or the District Opportunity to Purchase Acts (TOPA and DOPA respectively) and other financial tools such as the HPTF and the Preservation Fund. In addition, provide technical, and counseling assistance to lower income households and the strengthening of strengthen the rights of existing tenants to purchase rental units if they are being converted to ownership units. 509.7

- 509.8 Policy H-2.1.4: Conversion of At-Risk Rentals to Affordable Units
  Support efforts to purchase affordable rental buildings that are at risk of being sold and converted to luxury apartments or condominiums, in order to retain the units as affordable. Consider a variety of programs to own and manage these units, such as land banks, DOPA, TOPA and sale to non-profit housing organizations. 509.8
- Ensure that affordable housing units that are created or preserved with public financing are protected by long-term affordability restrictions and are monitored to prevent their transfer to non-qualifying households. Except where precluded by federal programs program requirements, affordable units should remain affordable for the life of the building as long as possible and align with the length and magnitude of the subsidy. For land disposition and affordable housing tied to zoning relief, affordability should last for the life of the building, with equity and asset build up opportunities provided for ownership units. 509.9

#### 509.10 Policy H-2.1.6: Rent Control

Maintain rent control as a tool for moderating the affordability of older rental properties and protecting long-term residents, especially the elderly older adults, low-income households, and those with disabilities. In considering future refinements to the rent control program, the District should be careful to determine whether the proposed changes improve effectiveness, fairness and affordability without discouraging maintenance and preservation of rental housing units. 509.10

509.11 Policy H-2.1.7: Direct Rental Assistance

Develop and fund programs that provide direct rental subsidies for extremely low-income households (earning less than 30% of areawide median income), including homeless individuals and families in need of permanent shelter <u>and/or rapid rehousing</u>. Continue support for federally funded rental assistance programs, including public housing, project-based Section 8, and the Housing Choice Voucher Program. 509.11

#### NEW Policy H-2.1.8: Redevelopment of Affordable Housing

As affordable housing reaches the end of its functional life, support the redevelopment of the site to the greatest extent feasible in line with the District's goals and strategies regarding equity and inclusion.

- 509.12 Action H-2.1.A: Rehabilitation Grants
  - Develop <u>Maintain</u> a rehabilitation grant program for owners of small apartment buildings, linking the grants to income limits for future tenants. Such programs have been successful in preserving housing affordability in <u>Montgomery County</u> and in many other jurisdictions around the country. 509.12
- Action H-2.1.B: Local Rent Subsidy

  Implement Expand the a local rent subsidy program Local Rent Subsidy

  Program for both tenant and new project based support targeted toward newly created public and private held extremely low-income housing units, newly created extremely low income housing units, and newly created units of housing for formerly homeless individuals and families. 509.13
- Action H-2.1.C: Purchase of Expiring Section 8 Projects Subsidized Housing and 'Naturally Occurring' Affordable Housing

Consider legislation that would give the District the right to purchase assisted, multi-family properties (and to maintain operating subsidies) where contracts are being terminated by HUD or where owners are choosing to opt out of contracts. Implement and use DOPA (District Opportunity to Purchase Act) to acquire,

preserve and dedicate new affordable housing through a process of transferring ownership to pre-qualified developers that will maintain the properties with long term affordability requirements. 509.14

509.15

Action H-2.1.D: Tax Abatement for Project-Based Section 8 Units

Implement the program enacted in 2002 that abates the increment in real property taxes for project-based Section 8 facilities. Consider extending the abatement to provide full property tax relief as an incentive to preserve these units as affordable. Completed – See Implementation Table 509.15

509.16 Action H-2.1.E: Affordable Set-Asides in Condo Conversions

Implement a requirement that 20 percent of the units in all condo conversions be earmarked for qualifying low and moderate income households. The requirement should ensure that at least some affordability is retained when rental units are converted to condominiums. In addition, require condominium maintenance fees to be set proportionally to the unit price so as not to make otherwise affordable units out-of-reach due to high fees. 509.16

509.17 *Action H-2.1.F: Housing Registry* 

Develop Maintain a registry of affordable and/or accessible housing units in the District and a program to match these units with qualifying low income households. 509.17

NEW Action H-2.1.G: Affordable Housing Preservation Unit

Establish and maintain a division within District government to systematically and proactively work with tenants, owners of affordable housing, investors, their representatives, and others associated with real estate and housing advocacy in Washington, DC to establish relationships and gather intelligence to preserve affordable housing and expand future opportunities by converting "naturally affordable" unassisted units to long-term dedicated affordable housing.

NEW Action H-2.1.H: Expand Acquisition Funding for Preservation

Continue funding for Public-Private Partnerships to facilitate acquisition and early investments to leverage greater amounts of private capital for the preservation affordable housing.

<u>PASTED</u> Action <u>H-3.1.G -2.1.I:</u> Improve Tenant Opportunity to Purchase Program

Improve the preservation of affordable housing through TOPA (Tenant Opportunity to Purchase Act) and TOPA exemptions by providing financial incentives to TOPA transactions, including predevelopment work, legal services, third party reports, and acquisition bridge financing. The effort should include tracking mechanisms to collect accurate program data and evaluate outcomes for further improvement in the program. 512.12

NEW Action H-2.1.J: Tracking Displacement

Track neighborhood change, development and housing costs to identify areas of Washington DC that are experiencing, or likely to experience, displacement pressures. Use the information to improve program

### performance and targeting of resources to minimize displacement and help residents stay in their neighborhood.

- 510 H-2.2 Housing Conservation and Maintenance
- Despite the advancing age of the District's building stock, most of the city's housing is in good condition. The number of vacant and abandoned units has declined sharply in the past five years continued to decline since 2006, and there has been reinvestment in the housing stock in all parts of the city. There are still threats, however. "Demolition by neglect" remains an issue in some neighborhoods, while other neighborhoods face the risk of housing being converted to nonresidential uses such as medical offices and non-profits. The long-term conservation of housing requires policies and actions that promote housing rehabilitation, upkeep, and modernization—while discouraging conversion to non-residential uses. 510.1
- As noted above, housing conservation programs are particularly important for the District's seniors older adults (residents 65 60 years old and above), many of whom are on fixed incomes. Seniors Older adults make up 12 11 percent of the city's population, but they represent nearly over 30 27 percent of its homeowners. These older adults may This suggests a need for low interest loans, grants, tax credits, income from home sharing arrangements and accessory apartments, and other programs and arrangements that reduce the financial burden of home ownership on low income, elderlyDistrict residents. Similar efforts are needed to assist extremely low income households. Their housing units are often overcrowded and have structural problems and code compliance issues that affect their habitability. 510.2
- 510.3 *Policy H-2.2.1: Housing Conversion*

Discourage the conversion of viable, quality housing units to nonresidential uses such as offices and hotels through zoning regulations. Ensure that zoning regulations provide sufficient protection to avoid the loss of housing in this manner. 510.3

Support voluntary, philanthropic, non-profit, private, and City District-sponsored programs that assist District residents in the upkeep of their homes and properties, particularly programs that provide low interest loans and grants for low income residents and elderly, older homeowners, and people living with disabilities.

510.4

#### 510.5 *Policy H-2.2.3: Tax Relief*

Maintain <u>and simplify</u> tax relief measures for <u>homeowners</u>, <u>especially</u> <u>seniors</u> <u>older adults and those with</u> low income <u>homeowners and low income senior</u> <u>homeowners</u> faced with rising assessments and property taxes <u>by using common income definitions and progressive relief according to need.</u> These measures should reduce the pressure on <u>long term residents</u>, <u>especially</u> low income owners, to sell their homes and move out of the District. 510.5

#### MOVED Policy H-2.2.4: Energy Retrofits

Encourage energy efficiency, retrofits that reduce water use, and home heating and cooling costs, thereby reducing monthly housing expenditures. 510.6

#### NEW Policy H-2.2.4: Healthy Homes

Implement programs to reduce and mitigate potential health hazards in older homes, such as lead pipes, mold, and carbon monoxide. Programs to encourage the environmental sustainability of the housing stock and residential construction are also encouraged.

#### 510.7 Action H-2.2.A: Housing Code Enforcement

Improve the enforcement of housing codes to prevent deteriorated, unsafe, and unhealthy housing conditions, especially in areas of the city with persistent code enforcement problems. Ensure that information on tenant rights, such as how to obtain inspections, contest petitions for substantial rehabilitation, purchase multifamily buildings, and vote in conversion elections, is provided to tenants. 510.7

#### 510.8 Action H-2.2.B: Sale of Persistent Problem Properties

Address persistent <u>tax and</u> housing code violations through negotiated sales of problem properties, by putting properties in receivership, <u>foreclosing on tax-delinquent properties</u>, <u>enforcing higher tax rates on vacant and blighted property</u>, and through tenants' rights education, <u>including use of TOPA</u>. Wherever possible, identify alternative housing resources for persons who are displaced by major code enforcement activities. 510.8

510.9 Action H-2.2.C: Low Income Homeowner Tax Credit
Implement the ordinance passed by the District in 2002 to provide tax credits for long-term, low-income homeowners. Completed – See Implementation Table 510.9

See the Historic Preservation Element for additional policies on

#### homeowner tax credits

- 510.10 Action H-2.2.D: Tax Relief
  - Review existing tax relief programs for District homeowners and consider changes to <u>unify and simplify programs to</u> help low- and moderate-income households address rising property assessments. <u>Consider using the Median</u>

    Family Income (MFI) as standard for establishing need and eligibility. 510.10
- 510.11 Action H-2.2.E: Program Assistance for Low and Moderate Income Owners

  Continue to offer comprehensive home maintenance and repair programs for low
  and moderate income owners and renters of single family homes. These programs
  should include counseling and technical assistance, as well as zero interest and
  deferred interest loans and direct financial assistance. 510.11
- 511 H-3 Home Ownership and Access
- Home ownership gives individuals a stake in the community and a chance to share in its growing prosperity. It can help foster civic pride and engagement, improve family stability, and enhance support for local schools and services. Importantly, home ownership provides a long term asset to build long-term personal wealth. Affordable homeownership programs provide families the benefits of value appreciation of their homes, one of the most important tangential benefits of owning instead of renting. For these reasons, the District has had a long standing policy of helping its residents become homeowners, and promoting the construction of new owner-occupied housing in the city. 511.1
- An important part of ownership is access to financing and real estate opportunity. In the past, the practice of "redlining" (e.g., withholding home loan funds in certain neighborhoods) by certain lenders made it more difficult to secure home loans in parts of the city. Enforcement of Fair Housing practices is important not only to stop unfair lending practices, but also to address <u>affordable housing</u> <u>opportunities in high cost areas</u>, discrimination against renters, single parents, persons with AIDS, and others with special needs. 511.2
- 512 H-3.1 Encouraging Home Ownership
- Nationwide, about two-thirds of all households are homeowners. In the District of Columbia, the 2000 census reported the home ownership rate was just 41 percent.

  After 2000, the homeownership rate slowly increased to 46 percent until

  2006; then the national mortgage collapse caused sharp increases in

foreclosures and many lost their homes. Homeownership has since declined and by 2017 stood at 42 percent in Washington, DC. Instability in the home ownership market and limited access to credit has caused many to select rental housing. These national factors are affecting all cities, but the District This is still has one of the lowest rates of homeownership in the country, well below Philadelphia (59 53 percent), Baltimore (50 45 percent), and Chicago (44 percent)- though higher than the 30 32 percent rate in New York and the 32 34 percent rate in Boston. The ownership rate in the District has increased 6 4 percentage points since 1980, when 35 percent of the city's households were homeowners. 512.1

#### <u>NEW</u>

Home prices create a significant obstacle to increasing the home ownership rate. In September 2015, only 38 percent of the homes on the market with two or more bedrooms were affordable to the median income family. While the recent increase in the supply of condominiums has improved home ownership prospects somewhat, the options for multi-generational families continue to be limited.

512.2

The District's Department of Housing and Community Development administers a number of programs to help residents purchase homes. These include the Homestead Housing Preservation PADD Program, which enables first time buyers to purchase acquires tax delinquent properties for as little as \$250 and bids them out to small developers who fix up the properties and sell or rent them primarily for affordable housing. It also includes the Home Purchase Assistance Program, which offers interest-free and low-interest loans to qualified residents for the purchase of houses, condominiums, or cooperative apartments. The District also provides grants and deferred loans to government employees who are first time homebuyers. These programs are an important part of the city's efforts to provide "workforce" housing for its residents (see text box). 512.2

## 512.3 Callout box: Meeting the Need for "Workforce Housing" Moderate Income Housing

As housing prices have outpaced income growth in many US cities, housing advocates and policy makers have called for initiatives to provide "workforce housing" for middle class residents. Workforce housing refers to housing designed for people in professions that are vital to our communities but that do not offer sufficient wages to afford market rate housing. These professions include administrative support, clerical occupations, and service jobs-and account for one third of the jobs in the American workforce.

Even with two working parents in the service industries, a family would have a difficult time purchasing a home or renting a suitable apartment in the District of Columbia. Janitors, school teachers, licensed nurses, police officers, child care professionals, and others service workers have been priced out of the DC market, and many other markets across the country. New programs, such as employer-assisted housing and down payment assistance for public sector employees, are being pursued to provide more options and keep these essential workers in our community.

#### **NEW**

In 2013, Washington, DC piloted a partnership with three employers called the Live Near Your Work (LNYW) program. The partnership matched a contribution made by the employer to provide down payment assisted to encourage the employee to live close to their work. Housing tends to be more expensive the closer it is to major job centers. The LNYW program pilot demonstrated the value of the assistance toward encouraging employees to live closer to work. Evaluations of similar programs across the country have documented the savings in travel time and costs, improvement in employee quality of life, and benefits to the employers in terms of employee performance and turnover.

#### 512.4 *Policy H-3.1.1: Increasing Home Ownership*

Enhance community stability by promoting home ownership and creating opportunities for first-time home buyers in the District. Provide loans, grants, and other District programs in order to raise the District's home ownership rate from its year 2000 2016 figure of 41 39 percent to a year 2015 2025 figure of 44 percent. Increased opportunities for home ownership should not be provided at the expense of the District's rental housing programs, or through the displacement of low income renters. 512.4

#### 512.5 Policy H-3.1.2: First-Time Buyer Income Targets

Structure home ownership and down payment assistance programs to benefit working families with incomes between 50 percent and 120 percent of the areawide median income. 512.5

#### NEW Policy H-3.1.3: Asset Development Through Homeownership

Support paths to homeownership that build and sustain equity and develop assets for the transfer of inter-generational wealth, especially for low and moderate-income households.

512.6 Action H-3.1.A: HPAP Program

Maintain and ayrond the District's Home

Maintain and expand the District's Home Purchase Assistance Program (HPAP) by periodically reviewing and establishing appropriate amounts of assistance to continue advancing affordable home ownership for low income households, and Homestead Housing Preservation Program. 512.6

- 512.7 Action H-3.1.B: District Employer Assisted Housing (EAH) Program

  Strengthen the District government's existing Employer Assisted Housing (EAH) program by increasing the amount of EAH awards and removing limitations on applicants seeking to combine EAH assistance with Home Purchase Assistance Program funds. 512.7
- 512.8 Action H-3.1.C: New EAH Programs
  Encourage other major employers in the city to develop Employer Assisted
  Housing programs for moderate and middle income housing, including:
  - Private sector employee benefit packages that include grants, forgivable loans, and onsite homeownership seminars for first-time buyers:
  - Federal programs which would assist income-eligible federal workers who currently rent in the city.
  - Programs should be designed to encourage employees to live close to their work to reduce travel time and cost, and increase their quality of life.
  - Link EAH efforts with performance based incentives for attracting new employers. 512.8
- 512.9 Action H-3.1.D: Individual Development Accounts
  Invest in programs that support Individual Development Accounts that assist lowincome persons to save for first-time home purchases. 512.9
- 512.10 Action H-3.1.E: Neighborhood Housing Finance
  Expand housing finance and counseling services for very low-, low-, and moderate-income homeowners, and improve the oversight and management of these services. 512.10
- 512.11

  Action H-3.1.F: First Time Homebuyer Tax Credit

  Examine the feasibility of matching the Federal first-time homebuyer tax credit
  with a District of Columbia tax credit for homebuyers in targeted neighborhoods.

  Obsolete See Implementation Table 512.11

#### **MOVED**

Action H-3.1.G: Improve Tenant Opportunity to Purchase Program
Increase assistance to tenants seeking to purchase their units. Review the effectiveness of the city's existing Tenant Purchase program and enhance the ability of this program to provide technical, financial, legal, organizational, and language assistance to tenants in exercising their purchase rights. 512.12

512.13 Action H-3.1.H: Foreclosure Prevention

Develop public-private partnerships to raise awareness of foreclosure prevention efforts, and to offer assistance to households facing foreclosure.

#### <u>NEW Action H-3.1.I: Protect Homeowner Equity</u>

Research and identify tools to protect the equity of homeowners, and help lower income and older adult home owners recover from volatile market forces and adverse events that threaten their equity and status as homeowners.

- 513 H-3.2 Housing Access
- The District established its commitment to fair housing under the Human Rights Act of 1977 (DC Law 2-38, DC Code Sec 2-1401 (2001 ed). This commitment is bolstered by federal regulations, including the Civil Rights Acts of 1964 and 1968, the Americans With Disabilities Act (ADA) of 1990, and the Age Discrimination Act of 1975. Together, these laws effectively prohibit housing discrimination on the basis of race, color, national origin, disability, sex, religion, sexual orientation, age, marital status, personal appearance, gender expression or identity, family responsibilities, political affiliation, or family status, matriculation, source of income, place of residence or business, and status as a victim of an intrafamily offense. 513.1
- Despite <u>anti-discrimination</u> laws, DC residents may still be unfairly denied housing on the basis of the factors listed above. Common forms of discrimination include refusal to rent, "steering" to particular neighborhoods by real estate agents, setting different terms for the sale or rental of housing (such as higher security deposits for certain groups), advertising to "preferred" groups, denial of loans or imposition of variable loan terms, and the use of threats and intimidation.

  <u>In addition, voucher holders often have difficulty finding a landlord willing to accept them.</u> The District <u>will work works</u> to address these challenges in the future through <u>the</u> full enforcement of fair housing laws. 513.2

NEW

The requirements of fair housing apply not only to the private sector, but to the public sector as well. Local governments are charged with Affirmatively Furthering Fair Housing (AFFH) and the United States Supreme Court has determined that public sector actions such as land use and zoning regulations, and patterns of affordable housing investment, can unfairly limit housing choice even if the consequences were unintended. For instance, to avoid 'disparate impacts' on protected classes, public sector decisions should provide the opportunity for both multi-family housing and affordable subsidy investment in higher cost neighborhoods that provide greater opportunity due to access to good jobs, schools, transit and other services.

**NEW** 

Table 5.6 below displays the allocation of affordable units in DC by planning area. It demonstrates that there are 15,517 affordable units in the Far Southeast and Southwest Planning Area and that these units represent 31 percent of Washington, DC's affordable units and 50 percent of the Planning Area's total units. Similarly, it shows that there are 471 affordable units in the Rock Creek West Planning Area, which represent one percent of that Area's total number of units.

**NEW** 

Table 5.6 Affordable Units by Planning Area in 2017

		Percent of		Percent of		
	Total	Total Units	Affordable	Affordable Units	Percent Affordable	Affordable
Planning Area	Units	District Wide	Units	District Wide	of Area Units	Projects
Capitol Hill	28,163	8%	1,753	3%	6%	47
Central Washington	15,897	5%	2,664	5%	17%	29
Far Northeast and						
Southeast	37,527	11%	9,576	19%	26%	103
Far Southeast and						
Southwest	30,738	9%	15,517	31%	50%	138
Lower Anacostia Waterfront						
and Near Southwest	14,115	4%	3,059	6%	22%	30
Mid-City	50,184	15%	6,820	13%	14%	156
Near Northwest	54,549	16%	4,004	8%	7%	64
Rock Creek East	30,568	9%	2,518	5%	8%	85
Rock Creek West	48,836	14%	471	1%	1%	10
Upper Northeast	32,295	9%	4,489	9%	14%	75
Total	342,872	100%	50,871	100%	15%	737

Source: HousingInsights.org, DC Office of Planning.

- Furthering fair housing includes taking action to combat discrimination, overcome patterns of segregation, foster inclusive communities, address significant disparities in housing need and provide access to opportunity. Historical patterns of growth and development reflected in Map 5.1 and Table 5.6 illustrate the concentrations of affordable housing investment. Since 2006, the District has made great strides including revising the zoning regulations to facilitate a wider range of housing opportunities, developing an Inclusionary Zoning program, and changing how affordable housing investment decisions are made. However, with residents concentrated along lines of race, ethnicity, and wealth, more needs to be done.
- 513.3 Policy H-3.2.1: Fair Housing Enforcement
  Strongly enforce fair housing laws to protect residents from housing discrimination. Provide education, outreach, and referral services for residents regarding their rights as tenants and buyers. Provide education and outreach to landlords, property managers, real estate agents, and others on their obligations when housing is made available. 513.3
- Policy H-3.2.2: Compliance by Recipients of District Funds
  Ensure that non-discrimination and full compliance with the District's fair
  housing laws is required for all housing developers and service providers
  receiving financial assistance from the District of Columbia. 513.4
- 513.5 Policy H-3.2.3: Prohibition on Redlining
  Ensure compliance with the federal Community Investment Act of 1977, which prohibits the practice of "redlining" local neighborhoods. 513.5
- 513.6 Action H-3.2.A: Cultural Sensitivity

  Require all District agencies that deal with housing and housing services to be culturally and linguistically competent. 513.6
- Undertake a Fair Housing Act education program for all relevant staff persons and public officials to ensure they are familiar with the Act and their responsibilities in its enforcement. Maintain programs that raise the public's awareness of fair housing rights and responsibilities, including educational events, compliance training, affirmative marketing training, and other outreach efforts that further fair housing and eliminate discrimination. 513.7
- 513.8 *Action H-3.2.C: Lending Practices*

Review Continue to monitor private sector lending practices for their impact on the stability of neighborhoods.

- NEW

  Action H-3.2.D: Overcoming Impediments to Fair Housing

  Develop strategies to overcome impediments and obstacles to the delivery of affordable housing in high cost areas such as rapid site acquisition, risk reduction, and expedited project selection and processing.
- 514 H-4 Housing <u>for Persons Those</u> With Special Needs
- Among Washington's 575,000 693,972 residents in 2017 there are thousands of people with special needs who require targeted help finding, paying for, and maintaining affordable housing. These individuals and families include the may be experiencing homelessness, seniors or are older adults, or have other challenges such as people with physical disabilities, people living with HIV/AIDS, people with mental illness, victims of domestic violence, adults reentering the city from correctional facilities, and youth being discharged from foster care and the juvenile justice system. Residents with special needs are particularly vulnerable to displacement, homelessness, and other housing hardship. They often lack the income needed to afford safe, decent housing and the services that will help them lead normal stable healthy lives in the community. 514.1
- 515 H-4.1 Integrating **Persons with** Special Needs **Populations**
- One of the basic premises of the city's Vision vision is that housing serving those with special needs housing should be accommodated in all neighborhoods of the city and not concentrated in a handful of areas, as it is today. The current distribution is uneven. Some neighborhoods have as many as 11 Community Based Residential Facilities while others have none. While it would be unrealistic to propose that each neighborhood should have an identical number of such facilities, more can be done to avoid over-concentration and provide residents to areas that provide access to opportunity. 515.1
- Steps can also be taken to reduce the stigma associated with special needs housing, and to improve its compatibility with the surrounding community. This will become even more important in the future, as displacement pressures Downtown and elsewhere threaten some of the city's emergency shelters and special needs service providers. Given limited budgets, the rising cost of land tends to drive special needs housing to the most affordable areas of the city; the

very places where these uses already are concentrated. Washington, DC is committed to investing in community-based housing options and services that encourage independent living across all Planning Areas. 515.2

- 515.3 Policy H-4.1.1: Integration of **Residents with** Special Needs Housing Integrate residents with special needs through housing units that includes wrap around supportive services throughout the city rather than segregating them into neighborhoods that already have high concentrations of such housing. 515.3
- 515.4 Policy H-4.1.2: Emphasis on Permanent Housing Emphasize permanent housing-first solutions for special-needs populations rather than building more temporary, short-term housing facilities. Permanent housing is generally more acceptable to communities than transient housing, and also is more conducive to the stability of its occupants. 515.4
- 515.5 Policy H-4.1.3: Coordination of Housing and Support Services Coordinate the siting of special needs housing with the location of the key services that support the population being housed. The availability of affordable public transportation to reach those services also should be considered.
- 515.6 Policy H-4.1.4: Protecting the Housing Rights of Persons with Special Needs Protect the housing rights of all residents with special needs through laws pertaining to property taxes, evictions, and affordable tenancy. 515.6

Please consult Land Use Element Section LU-3.4 for additional policies and actions on Group Homes and Community Housing.

#### 516 H-4.2 Meeting the Needs of Specific Groups Ending Homelessness

## **MOVED**

The housing needs of the District's most vulnerable populations vary with each group. Some require housing with specific physical attributes, such as wheelchair ramps or bathrooms with grab bars. Some require housing with on-site support services, such as meal service or job counseling. Most simply need housing that is safe, secure, and affordable. Five specific groups are profiled below. 516.1

#### **Seniors MOVED**

In 2000, there were 70,000 District residents over 65, including 8,500 residents over 85. As the baby boom generation matures and as average lifespan increases, the population of seniors in the District is expected to increase dramatically. At the national level, the Census projects the number of senior citizens will increase

by 104 percent between 2000 and 2030 almost four times the rate of the population at large. There will be a need for a broad range of senior living environments, serving residents across the income spectrum. This will be accompanied by a need for new programs, ranging from those that help seniors "age in place" through home retrofits to those that provide on-site nursing and health care in a congregate environment. As already noted, higher levels of assistance will be required to help senior homeowners on fixed incomes and to protect elderly renters from displacement. 516.2

#### MOVED Persons with Disabilities

A disproportionately large share of the region's disabled population resides in the District of Columbia. While the city is home to just 12 percent of the region's total population, it is home to 34 percent of its low income disabled adults. In 2000, the District was home to 82,600 disabled adults—amounting to over 20 percent of its working age population. Many of these adults are unable to work due to mental or physical handicaps, and a quarter of them earned incomes below the poverty line. The number of housing units specifically designed for persons with disabilities, particularly units in facilities with services to help cope with these disabilities, is far short of the actual need. 516.3

#### 516.4 The Homeless

Homelessness in the District of Columbia is a significant problem and one that has become worse in the wake of the current housing boom. In January 2005, the Metropolitan Washington Council of Governments estimated that there were 11,419 homeless persons in the region, including 2,694 who were chronically homeless. More than half of the homeless population, and two-thirds of the chronically homeless population, lived in the District. Provisions to assist the homeless must include emergency shelter, transitional housing, and permanent housing, along with supportive services. On so many levels, the need for such facilities and services outpaces supply. The shortfall will get worse if regional partners and colleagues do not match Washington, DC's efforts, nothing is done with more persons District residents living without housing in the District at risk of becoming homeless. 516.4

# NEW By 2017, the number of homeless individuals and persons in homeless families declined to 11,128 persons across the region, although the chronically homelessness declined to 2,522. Persons experiencing homelessness in Washington, DC now represent over two-thirds of the region's homeless population and 70 percent of the chronically homeless. The sharpest increase in D.C. has been persons in homeless families, which

increased 22 percent to 3,890 persons between 2012 and 2017. Increases in the number of families experiencing homelessness, straining shelter capacity and impacting the District's ability to serve other vulnerable populations, such as disabled single adults. Longer shelter and hotel stays are leading to a need for more shelter units, while rising costs are making it more difficult to provide services and secure housing to those in need. Homelessness has enormous social and economic consequences, resulting in increased medical, legal, and incarceration costs, as well as shelter costs.

<u>NEW</u>

In 2015, the District published Homeward DC, a collaborative effort by the District of Columbia Interagency Council on Homelessness (ICH) intended to prevent housing loss, and quickly stabilize and safely shelter individuals and families that become homeless. The Plan emphasizes permanent housing solutions and community support networks. Its goal is that any household experiencing housing loss will be rehoused within an average of 60 days or less, with homelessness reduced by 65 percent by 2020. The efforts aim to transform the system to focus on crisis response, helping people quickly get back on their feet.

**NEW** 

The goal of Homeward DC is to provide "Housing First" – moving people from homelessness to permanent housing as quickly as possible, accompanied by necessary supportive services. While individuals and families may face housing loss in the future, homelessness will be prevented whenever possible. When it does occur, it will be a rare, brief, and non-recurring experience.

**NEW** 

With the closing of the decrepit and dangerous DC General facility,
Washington, DC is expanding transitional family housing in all eight wards,
and will also continue to implement plans and assist specific subsets of the
homeless population, such as youth and veterans. Washington, DC will also
continue to provide year-round access to shelter, which is especially
important during the winter months and in heat emergencies. Provisions to
assist the homeless must include emergency shelter, transitional housing, and
permanent housing, along with supportive services. However, the need for
such facilities and services outpaces supply. Rising housing costs will
continue to place more families at risk of homelessness.

MOVED

Ex-Offenders and Supervised Offenders

Each year, the prison system in the District of Columbia releases 9,400 people.

Between 2,000 and 2,500 of these ex-offenders return to the District, usually without the means to pay for market rate housing and in some cases without the

skills or means to find a decent job. Many return to neighborhoods of high crime and poverty, remain chronically unemployed, and find shelter in group homes or shared housing. Unstable housing and a lack of employment undermine an exoffender's success and can perpetuate the cycle of poverty and violence in the District's poorest neighborhoods. 516.5

#### MOVED Persons with HIV/AIDS

In 2002 the rate of reported AIDS cases in the District was 162.4 per 100,000 compared to 14.8 per 100,000 for the United States. In fact, the District has the highest incidence of AIDS in the United States, with a rate nearly double that of New York or San Francisco. In 2003, about 8,900 persons with AIDS resided in the District. Many persons with AIDS require special housing suitable for long-term care, yet a recent District survey found that the local need was double the number of units available. 516.6

#### MOVED Policy H-4.2.1: Short-Term and Emergency Housing Options

Ensure that adequate short-term housing options, including emergency shelter and transitional housing, exists for persons with special needs, including people living with HIV/AIDS, harm-reduction units for substance abusers, detoxification beds and residential treatment facilities, halfway houses and group homes for returning offenders, and assisted living and end-of-life care for seniors. 516.7

#### MOVED Policy H-4.2.2: Housing Choice for Seniors

Provide a wide variety of affordable housing choices for the District's seniors, taking into account the income range and health care needs of this population. Recognize the coming growth in the senior population so that the production and rehabilitation of publicly assisted senior housing that meets universal design standards becomes a major governmental priority. Acknowledge and support the establishment of Senior Villages throughout the city that allow seniors to remain in their homes and age in place. 516.8

#### MOVED Policy H-4.2.3: Neighborhood-Based Senior Housing

Encourage the production of multi-family senior housing in those neighborhoods characterized by large numbers of seniors living alone in single family homes. This will enable senior residents to remain in their neighborhoods and reduce their home maintenance costs and obligations. 516.9

#### **MOVED** *Policy H-4.2.4: Barrier-Free Housing for the Disabled*

Work toward a target of designing eight (8) percent of the new housing units added to the city's stock over the next 20 years specifically to meet the

accessibility needs of persons with physical disabilities. These units should be spread evenly across affordability brackets. 516.10

#### 516.11 *Policy H-4.2.51: Ending Homelessness*

Reduce the incidence of homelessness to rare, brief, and nonrecurring events in the city through homeless prevention efforts, development of <u>permanent</u> subsidized housing for the homeless <u>in all Planning Areas of the city</u>, and actively coordinating mainstream social services for persons who are homeless or at risk of becoming homeless. 516.11

#### MOVED Policy H-4.2.6: Housing for Ex-Offenders and Supervised Offenders

Create adequate housing plans for people exiting jail or prison so that they do not become homeless, including the removal of barriers to reentering offenders living in public housing. Ensure that ex-offenders are not concentrated into assisted 516.12

#### MOVED Policy H-4.2.7: Persons with Mental Illness

Support the production of housing for people with mental illness through capital and operating subsidies. Improve the availability and coordination of such housing with wrap-around mental health and other human services. Steps should be taken to prevent the eviction of mentally ill persons from publicly financed housing so long as they are following the rules of tenancy, and to ensure that each individual's housing is maintained if and when they need to be hospitalized. 516.13

#### 516.14 *Policy H-4.2.82*: Neighborhood-Based Homeless Services

Encourage the provision of homeless services through neighborhood based supportive housing and single room occupancy (SRO) units, rather than through institution-like facilities and large-scale emergency shelters. The smaller service model can reduce the likelihood of adverse impacts to surrounding uses, improve community acceptance, and also support the reintegration of homeless individuals back into the community. 516.14

#### NEW Policy H-4.2.3: Increasing the Supportive Housing Supply

Increase the supply of permanent supportive housing affordable to extremely low income households in order to reduce the length of shelter stays, free up additional shelter capacity, and provide stable long-term housing for those who are homeless or at risk of homelessness.

#### NEW Policy H-4.2.4: Homelessness Prevention and Crisis Response

Expand programs to stabilize high-risk households before they arrive at the shelter door by implementing targeted homelessness prevention programming by researching the common causes of homelessness, especially for those transitioning out of institutional settings such as foster care or behavioral health facilities. Develop a more effective crisis response system to address homelessness, focused on helping individuals and families get back on their feet as quickly as possible.

#### <u>NEW</u> <u>Policy H-4.2.5: Reducing Housing Barriers for Persons Experiencing</u> Homelessness

Reduce the barriers that prevent homeless individuals and families from finding affordable and supportive housing. Overcome onerous eligibility requirements and restrictions based on credit, income, and criminal history by providing incentives to landlords willing to housing those escaping homelessness.

#### MOVED Action H-4.2.A: Incentives for Retrofits

Create financial incentives for landlords to retrofit units to make them accessible to persons with disabilities, and to include units that are accessible in new housing construction. 516.15

#### MOVED Action H-4.2.B: Incentives for Senior Housing

Explore incentives such as density bonuses, tax credits, and special financing to stimulate the development of assisted living and senior care facilities, particularly on sites well served by public transportation. 516.16

#### 516.17 Action H-4.2.CA: Homeless no More Homeward DC

Implement the recommendations outlined in <u>Homeward DC: 2015-2020, which</u> <u>updates and expands on</u> "Homeless No More: A Strategy for Ending Homelessness in Washington, DC by 2014." <u>Among the recommendations are</u> <u>Homeless No More recommended</u> the production of 2,000 permanent supportive housing units for the chronically homeless and 4,000 units of permanent housing for households who experience temporary homelessness or are at risk of becoming homeless. <u>Homeward DC provides additional strategies to expand</u> <u>the number of supportive housing units, transitional housing units, and</u> <u>tenant-based rental assistance.</u> 516.17

516.8 Action H-4.2. DB: Emergency Assistance

Revive and strengthen Expand the emergency assistance program for rent,

security deposit, mortgage, and/or utility expenses for very low-income families

with children, older adults, and persons with disabilities to prevent

homelessness. 516.18

#### NEW Action H-4.2.C: Winter Shelter Plan

Prepare, implement, and annually update a Winter Shelter Plan that includes measures to protect persons experiencing homelessness from cold weather injury. The Plan should work in tandem with broader strategies to end homelessness and provide permanent, secure shelter for all residents.

#### NEW Action H-4.2.D: Ending Youth Homelessness

Implement Solid Foundations DC: The Strategic Plan to Prevent and End Youth Homelessness. The Plan includes strategies for youth homelessness prevention, expanded outreach and reunification, additional youth shelter capacity, improved support services, continuing education, and capacity building programs for organizations that support the emotional, physical, and social well-being of at risk youth.

#### <u>NEW Action H-4.2.E: Discharge Coordination</u>

Maintain discharge programs from the foster care system, health care system, and the criminal justice system that prevent homelessness and provide a safe transition to independent living.

#### NEW Action H-4.2.F: Daytime Services Center

Establish a daytime services center for unsheltered individuals to serve as a point of access for services and a first step toward employment and permanent housing.

#### NEW Action H-4.2.5: Landlord Recruitment

Development and test pilot programs designed to incentivize landlords to house individuals and families exiting homelessness. Test such strategies as damage and default insurance. Evaluate the pilot and make recommendations on maintaining and improving an ongoing program.

#### NEW H-4.3 Meeting the Needs of Specific Groups

#### **PASTED** The h

The housing needs of the District's most vulnerable populations vary with each group. Some require housing with specific physical attributes, such as wheelchair ramps or bathrooms with grab bars. Some require housing with on-site support services, such as meal service or job counseling. Most simply need housing that is safe, secure, and affordable. Five specific Those that most commonly benefit

from supportive services are the several groups are profiled below. 516.1

#### **PASTED** Seniors Older Adults

In 2000 2017, there were 70,000 118,275 District residents age 60 and over 65, including 8,500 12,133 residents over 85 and over. As the baby boom generation matures and as average lifespan increases, the population of seniors residents age 60 and over in the District is expected to increase dramatically. At the national level, the Census projects the number of senior citizens will increase by 104 percent between 2000 and 2030 almost four times the rate of the population at large. By 2030, there will be 133,000 residents 60 and over, of which 12,000 will be 85 and older. There will be a need for a broad range of senior living environments, serving residents across the income spectrum.

#### **PASTED**

This will be accompanied by a need for new programs, ranging from those that The "Age Friendly DC Initiative" launched in 2012 identified 75 strategies across 10 broad topics to ensure that residents of all ages can remain in community-based settings as they age. Additional programs will be needed to help seniors "age in place" through home retrofits. New forms of cooperative and shared housing may be explored, and additional facilities will be needed that offer to those that provide on-site nursing and health care in a congregate environment. As already noted, higher levels of assistance will be required to help senior homeowners on fixed incomes and to protect elderly renters from displacement. More intergenerational living facilities also may be needed: in approximately 2,881 households grandparents are responsible for their grandchildren. 516.2

#### **PASTED** Persons with Disabilities

A disproportionately large share of the region's disabled population resides in the District of Columbia. While the city is home to just 12 11 percent of the region's total population, it is home to 34 percent of its low income disabled adults. In 20002016, the District was home to 82,600 71,000 disabled adults—amounting to over 20 percent of its working age population. Approximately 94,400 District residents—or 13 percent of the total population—live with a physical or mental disability. Nearly one-third of Washington, DC's disabled population lives below the poverty level. Many of these adults are unable to work and are in need of supportive services and accessible housing options. due to mental or physical handicaps, and a quarter of them earned incomes below the poverty line. 516.3

#### NEW Mobility limitations affect nearly 48,000 District residents. Thousands of

residents need basic modifications to ensure they can live well in their own homes. Visitability improvements are also needed to remove physical barriers even in homes that do not currently house persons with mobility challenges, so that persons with limitations can visit others. Persons with disabilities may also require medical and personal care assistance in medical daily living activities. The number of housing units specifically designed for persons with disabilities, particularly units in facilities with services to help cope with these disabilities, is far short of the actual need. Moreover, many disabled persons rely on Supplemental Security Income (SSI) and face an enormous gap between their income and the cost of their housing.

#### **PASTED**

Ex-Offenders and Supervised Offenders Citizens Returning from Incarceration
Each year, the prison system in the District of Columbia releases 9,400 more
than 5,000 people. Between 2,000 and 2,500 of these ex-offenders return to the
District Many return to the District, usually without the means to pay for
market rate housing and in some cases without the skills or means to find a decent
job. Many return to neighborhoods of high crime and poverty, remain chronically
unemployed, and find shelter in group homes or shared housing. Unstable housing
and a lack of employment undermine an ex-offender's success and can perpetuate
the cycle of poverty and violence in the District's poorest neighborhoods. The
Department of Corrections and the Mayor's Office on Returning Citizen
Affairs have prioritized re-entry programs to ensure public safety and reduce
recidivism, including housing strategies. In 2016 the District of Columbia
passed the Fair Criminal Record Screening for Housing Act, which bans
landlords from asking about an applicant's criminal record until a
conditional offer has been made. 516.5

#### **PASTED**

Persons with HIV/AIDS

In 2015, there were 15,200 persons with HIV/AIDS in the District of Columbia, or about 2.2% of the population. This compares to a national rate of 0.3%, and exceeds the World Health Organization's threshold (1%) indicative of a continued generalized HIV epidemic. A number of research studies indicate that persons with HIV/AIDS experience elevated housing instability and homelessness relative to the general population. Stigma and discrimination may cause additional hurdles to obtaining and retaining appropriate housing. Data from the federal HOPWA program (Housing Opportunities for Persons with AIDS) indicates an unmet need for tenant-based rental assistance for 1,239 persons with HIV/AIDS. 2002 the rate of reported AIDS cases in the District was 162.4 per 100,000 compared to 14.8 per 100,000 for the United States. In fact, the District has the highest incidence of

AIDS in the United States, with a rate nearly double that of New York or San Francisco. In 2003, about 8,900 persons with AIDS resided in the District. Many persons with AIDS require special housing suitable for long-term care, yet a recent District survey found that the local need was double the number of units available. 516.6

#### NEW Persons with Behavioral Health Issues

Over 15,000 DC adults have been diagnosed as having a serious mental illness by the Department of Behavioral Health based on treatment services delivered in 2016. Mental illness can seriously limit one's ability to find employment, earn a living wage, and lead an independent life. Stable, permanent housing can increase independence and help achieve other life goals. Such housing is often paired with case management, as well appropriate supportive services such as crisis intervention, ongoing counseling, and health assessments.

#### NEW Persons Recovering from Domestic Violence

The DC Metropolitan Police Department receives over 30,000 calls for service each year for domestic violence related incidents. Some of these calls result in the need for safe housing for the victim. The inventory of such housing is very limited. Domestic violence also creates unique challenges for the victim, including the potential for personal harm if using the traditional shelter system. Many victims also may suffer from trauma and some have children who must also be accommodated. DHCD has designated a Housing Navigator on its staff to leverage housing contacts and find safe housing for victims of crime and domestic violence. By calling the DC Victim Hotline, victims can be directed to resources.

#### **PASTED** Policy H-4.2.14.3.1: Short-Term and Emergency Housing Options

Ensure that adequate short-term housing options, including emergency shelter and transitional housing, exists for persons with special needs, including people living with HIV/AIDS, harm-reduction units for substance abusers, detoxification beds and residential treatment facilities, <u>safe housing for victims of domestic</u> <u>violence</u>, halfway houses and group homes for returning offenders, and assisted-living and end-of-life care for seniors. 516.7

## PASTED Policy H-4.2.2-4.3.2: Housing Choice for Seniors Older Adults Provide a wide variety of affordable housing choices for the District's seniors older adults that enable them to age in their neighborhoods either by supporting their ability to remain in their home, or by providing new

opportunities within multi-unit buildings that include universal design and intergenerational options., taking Take into account the income range and health-care needs of this population. Recognize the coming growth in the senior population so that the production and rehabilitation of publicly-assisted senior housing that meets universal design standards becomes a major governmental priority. Acknowledge and support the establishment of Senior Villages throughout the city that allow seniors to remain in their homes and age in-place. 516.8

#### NEW <u>Callout Box: Homesharing</u>

A new strategy and a key component of the Age-Friendly DC Housing Domain is 'homesharing'. This strategy assists older adults to age in their current homes by sharing their housing costs with another and has been gaining steam among a number of age friendly jurisdictions across the country. Homesharing has multiple benefits from reducing housing costs to reducing isolation, and providing peer support and safety.

#### **PASTED**

Policy H-4.2.3 4.3.3: Neighborhood-Based Senior Housing for Older Adults
Encourage the production of multi-family senior housing in those neighborhoods characterized by large numbers of seniors living alone in single family homes.
This will enable senior residents to remain in their neighborhoods, maintain connections with fellow residents and neighbors, and reduce their home maintenance costs and obligations, while enabling their single-family homes to house the next generation of growing DC families. 516.9

#### **PASTED**

Policy H-4.2.44.3.4: 516.10 Housing for the Disabled

Work toward a target of designing eight (8) 12 percent of the new housing units added to the city's stock over the next 20 years specifically to meet the accessibility needs of persons with physical disabilities through universal design. These units should be spread evenly across affordability brackets.

Facilitate and promote broader 'visitability' standards in new construction and major renovations, which enable people who have trouble with steps or who use wheelchairs or walkers to participate socially and reduce their isolation. 516.10

#### **PASTED**

Policy H-4.2.6 <u>4.3.5</u>: Housing for <u>Ex-Offenders and Supervised Offenders</u> <u>Returning Citizens</u>

Create adequate housing plans for people exiting jail or prison the correctional system so that they do not become homeless, including the removal of barriers to

reentering offenders living in public housing. Ensure that ex-offenders returning citizens are not concentrated into assisted housing projects but can find housing throughout the city. Ensure that rental housing providers do not discriminate against returning citizens. 516.12

#### **PASTED**

Policy H-4.2.7: 4.3.6: Persons with Mental Illness Behavioral Health Issues
Support the production of housing for people with mental illness through capital and operating subsidies. Improve the availability and coordination of such housing with wrap-around mental health and other human services. Steps should be taken to prevent the eviction of mentally ill persons from publicly financed housing so long as they are following the rules of tenancy, and to ensure that each individual's housing is maintained if and when they need to be hospitalized.
516.13

#### **PASTED**

Action H-4.2.A 4.3.A: Incentives for Retrofits Accessible Units

Create financial incentives and/or provide appropriate flexibility in zoning rules and public space regulations for homeowners and landlords to retrofit units to make them accessible to older adults and persons with disabilities., and to include Encourage the production of units that are visitable, ADA-accessible, or universally designed in new housing construction. 516.15

#### **PASTED**

Action H-4.2.B 4.3.B: Incentives for Senior Older Adult Housing

Explore Remove barriers and explore incentives such as density bonuses, tax credits, and special financing to stimulate the development of assisted living and senior care facilities that serve a mix of incomes, particularly in areas of high need and on sites well served by public transportation. 516.16

#### **NEW**

Action H-4.3.C: University Partnerships and Older Adults

Explore partnerships with local universities to develop intergenerational student living arrangements with older adults living near campus.

#### NEW

Action H-4.3.D: Aging in Place

Establish programs to facilitate low income older renters aging in place.

Examples include tenant-based vouchers or other rental assistance to older adults on fixed incomes or funds for renovation of multi-unit buildings, individual apartments, and single-family homes to create appropriate housing options for seniors to age in place.

<sup>&</sup>lt;sup>i</sup> Greater Capital Area Association of Realtors, DC Office of Planning.

ii CoStar.com

iii OP analysis of changes in interest rates and American Community Survey (ACS) changes in median incomes.

iv Greater Capital Area Association of Realtors, DC Office of Planning.

OP analysis of BLS Occupational Wage Data, Interest Rates, and RBIstats Sales Data for 2016

vi CoStar.com

vii US Census ACS 2017 PUM data, DC Office of Planning.

viii US Census Survey of Building Permits, DC Office of Planning.

ix US Census ACS 2012-2016 PUM data, DC Office of Planning.

<sup>&</sup>lt;sup>x</sup> US Census ACS 2012-2016 PUM data, DC Office of Planning.

xi DMPED

xii OP analysis of US Census Survey of Building Permits and CoStar data

xiii OP analysis of Office of Tax and Revenue Computer Aided Mass Appraisal (CAMA) data

xiv OP Round 9.0 COG Forecast and analysis of OCTO's Master Address Repository

xv Zillow HVI 6/09-6/17

xvi DOES Forecast and BLS Occupational Wage data

xvii CoStar.com